

## **LOCAL GOVERNMENT REBATE CAP**

### *Grievance*

**MR D.A. TEMPLEMAN (Mandurah)** [9.35 am]: My grievance is to the Minister for Local Government; Seniors and Volunteering, and focuses on the announcement last week in the state budget that the government will impose a cap of \$550 on the local government rebate for pensioners and seniors in Western Australia.

Minister, this decision needs to be taken in context. With the other restrictions and cuts that this government has made to pensioners and seniors in this last budget, and over several budgets by this government, this Premier and the minister, as a willing minister, have recklessly trashed the finances of the Western Australian economy. This Liberal–National government has increased state debt to a record forecast of \$36 billion, and last week the minister’s colleague the Treasurer announced a record deficit of \$2.7 billion for the state. The Premier and this government have overseen the loss of the state’s AAA credit rating. The minister and the Premier blame everyone else for this disaster, except themselves. Who will pay for the inept handling of the state’s finances? We know now that our children and our grandchildren will be burdened for decades with a debt that this government has left them, but the minister has particularly targeted seniors and pensioners to pay for the government’s out-of-control extravagance. I want to know why the minister is targeting pensioners and seniors in particular.

Earlier this week in question time, the minister lectured us that our state’s over-60s population was growing rapidly, that concessions needed to be more sustainable and that our seniors needed to shoulder the burden to fix this government’s economic mismanagement. Who are you, minister, to lecture seniors in the state of Western Australia that they have to pay more to make ends meet when this government got us into this disaster in the first place? Who are you, minister, to lecture the seniors of the state? The government has increased water and electricity charges again in this budget by 4.5 per cent—double the inflation rate. Now it has capped the water rate rebate and local government council rebates for pensioners and concession card holders that will see thousands of seniors paying an extra \$200, and some of them more, in rates. The minister sat back and did nothing to protest these attacks on seniors. There was no consultation with local government about the impact of these measures. The Western Australian Local Government Association tells me that the minister did not consult with it before or after this announcement. We want to know when and how the minister arrived at the magic \$550 cap. Treasury told us, in a briefing with members from this side earlier this week, that the government, not Treasury, arrived at the \$550 figure. Where was the minister during this discussion? The minister was not even there, was he? He was not even there defending seniors and defending pensioners. He sat by, weakly and idly, saying nothing. The minister failed miserably to represent the interests of seniors and pensioners, and he is supposed to be their minister.

Councils are now evaluating the impact this cap will have on residents who have been targeted by this minister and this government. Local government does not trust the minister or the Premier anymore. Now they see this as another cost shift from the state to them. Many councils are concerned that they will be expected to make up the difference in the long term as more and more seniors are tipped over the cap’s threshold. I will give some examples. In the City of Stirling, 14 000-plus pensioners currently receive the concession. That council estimates that over 3 500 pensioners will be worse off. It has calculated an average increase in rates for those affected by at least \$115 per pensioner. That is how much more they will have to pay. The City of Mandurah has over 10 000 pensioners who are eligible for the concession. The current rebate value to the City of Mandurah is \$5.7 million, and half the pensioners of Mandurah will be worse off. That is the calculation by the City of Mandurah. They will pay an average of \$111 extra on their rates. But there is more. I have asked all the councils to come back to me with their figures calculating the impact, but I wonder whether the minister has done that and whether he knows. I bet he does not know, because he was not there when these discussions were being raised. They do not listen to the minister anymore because he failed in his local government reform process and now he is failing the seniors and pensioners of Western Australia.

These additional costs can be added to the increase in electricity costs that this government has imposed on the people of Western Australia, the 10 per cent increase in the emergency services levy and the increase in water rates. This government has a terrible record of increases in utility costs in the seven and a bit years it has been in office, and more seniors will now have to pay a few hundred dollars extra each year, because this government bugged up the books. That is what it did.

How can the minister justify this blatant attack on Western Australian seniors who have made a great contribution to the state and have helped to build this state over their lifetime? The minister is now making them pay for this government’s arrogant failings. Not once have we heard in this place the Premier, the minister or the Treasurer admit that they stuffed it up—not once. Instead, they say that everyone else has to pay for their incompetence and their inept handling of the state’s economy. The minister failed in his attempt to amalgamate councils in the metropolitan area and now he is failing to represent seniors in Western Australia and give them a

fair go. The minister might think that these things that will come on next July will not have an impact on seniors. The minister might think that giving seniors free travel on public transport from 7.00 pm to 6.00 am is a little sweetener. What a joke! What they want is downward pressure on costs so that they consistently are not being asked to put their hands in their pockets for money that they do not have. The minister has snatched it off them, and he is not representing them at all.

**MR A.J. SIMPSON (Darling Range — Minister for Seniors and Volunteering)** [9.42 am]: I thank the member for Mandurah for his grievance and for raising his concerns about seniors in Western Australia. I must admit that I am very concerned that in the whole time I have been the Minister for Seniors and Volunteering in this Parliament, the shadow minister for seniors has only ever asked me one question on seniors. That is how serious the opposition is about seniors.

**Mr P.B. Watson** interjected.

**The SPEAKER:** Excuse me! Member for Albany, you are not supposed to interject during grievances.

**Mr N.W. Morton** interjected.

**Mr A.J. SIMPSON:** Exactly. Where is the shadow minister for seniors?

I take on board the comments of the shadow Minister for Local Government about concessions but I want to make one thing very, very clear: we are a government that supports seniors in our community, with over 16 concessions currently, and we are adding to them. I like the comment that the shadow Minister for Local Government made around the extension of free travel on public transport. Let us understand, very importantly, what this means. This means that public transport is now free for seniors and for carers 24/7, except for peak hours. That will go a long way towards helping my volunteers —

**Mr D.A. Templeman** interjected.

**The SPEAKER:** Member for Mandurah.

**Mr D.A. Templeman** interjected.

**The SPEAKER:** Order, member for Mandurah! I call you to order for the first time.

**Mr A.J. SIMPSON:** In this year's budget, over \$380 million has been put forward for concessions to help support seniors in our community. Yes, I take on board the capping at around 50 per cent. For the benefit of the member, I need to draw attention to the report of the Community Development and Justice Standing Committee that was tabled by the shadow minister for seniors in Parliament just last year. The members for Girrawheen, Armadale and Collie–Preston were the three members on the committee that made recommendations to government on what we should do to support seniors in our community.

Recommendation 16 of the report was that the Department of Transport should review the criteria needed to obtain a photo ID card. As of 1 July next year, the photo ID card will be included as a seniors' concession. Recommendation 18 is that the Department of Housing should urgently address affordable housing for seniors. In this year's budget, \$560 million has been put into providing social housing for seniors. Recommendation 19—this is a good one—is that the government should implement a stamp duty concession or exemption for purchasers who wish to downsize their house. We are in the process of putting that together right now for next year's budget. More importantly, recommendation 32 is that the state government needs to design a concessions policy and framework that will ensure concessions for seniors target the people most in need. One of the key issues around trying to work out how we can support seniors in Western Australia —

**Mr D.A. Templeman** interjected.

**The SPEAKER:** Member for Mandurah!

**Mr A.J. SIMPSON:** So that members will understand, there was a 25 per cent discount for holders of a WA Seniors Card, and if seniors happened to have a Commonwealth Seniors Health Card or a pension card, they got a 50 per cent discount. Some people have been able to walk into their local government and get a \$6 000 or \$7 000 discount with that 50 per rebate. We are trying to target it to where it needs to be —

Several members interjected.

**The SPEAKER:** Member for Mandurah, you have had a turn, and member for Albany, you have had two turns.

**Mr A.J. SIMPSON:** The interesting thing is that giving someone a \$7 000 discount on their shire rates is surely not putting the money where it needs to be put. The idea of the rebate is to help those who need it the most. We are trying to target those concessions.

I will touch on the member for Mandurah's comments about the cap. Let us go through this. In Victoria the cap is \$208, in Queensland it is \$200, in New South Wales it is \$250 and in Tasmania it is \$286. What about

South Australia? The Labor government in South Australia just last week announced that it is removing the local government concession and bringing in a cost-of-living rebate instead. Western Australia was the only state in Australia that had a cost-of-living rebate, and now South Australia is joining us, but it is taking away the local government concession.

How did we come up with a cap of \$550? We looked at all the parameters around what the local government average rate was, and we worked with the sector —

**Mr D.A. Templeman** interjected.

**Mr A.J. SIMPSON:** All that the Western Australian Local Government Association does —

**Mr D.A. Templeman** interjected.

**The SPEAKER:** Member for Mandurah, you had a grievance, and the minister is trying to answer it. If you want to ask questions, do it during question time.

**Mr A.J. SIMPSON:** The only thing WALGA does is that when people pay their rates, the local government collects the rate notice and sends a bill to the government and gets the concession. Local governments do not have any impact on that process at all; they are just a collection agent for the government.

I will go through the concessions so that members will understand where we stand today. For vehicle registration, there is a 50 per cent discount for people with a WA Seniors Card and a 100 per cent discount for people with a pension card. The photo ID card will come into effect on 1 July next year. There is a discount, of course, for bus and train fares, and \$200 every second year for spectacles. There is also an emergency services levy rebate, a local government rebate, a water rebate, a driver's licence rebate and an air-conditioning rebate, and concessions for entry to museums, galleries and national parks. There are over 16 concessions currently, and it will be expanding out to 17 next year as we move through this process of trying to support seniors.

One of the key issues, as the Treasurer tells me, is that we need a framework around how the concessions are given out. The Western Australian Council of Social Service is saying the same thing to us—we need to make sure the rebates are targeted to the people who need it the most. One of the key issues for putting in these caps is to ensure that we provide equity in those concessions. For each budget now, I can sit down with the Treasurer and debate the impact of inflation on those caps and put the case that they need to be increased to try to work within that process. One of the key issues is to make sure the rebates are better targeted at those who need the money. It is not fair that we are giving out discounts of \$6 000 or \$7 000, and in one case \$8 000, to people who own property when it should be going to the people who need it the most.

Just quickly, because I have only a couple of minutes left, an issue was raised around who we consulted about these concession rebates. When we came to government in 2008, we formed the Seniors Ministerial Advisory Council. In the world of seniors, I have the Association of Independent Retirees, Retirees WA, National Seniors WA and Council on the Ageing Western Australia. I have about six different agencies that represent seniors. We have a group that is represented by the minister—that is my ministerial council on seniors—and all those people have representation on that council and make recommendations to me on what seniors need. The photo ID card was their idea for this year's budget. They came up with a raft of concessions that should be put in. They looked at the capping and they looked at the amount of money going out, and they came back to me and said it should be better targeted to the people who need it the most. One of the key issues is trying to support seniors in our communities is to make sure that we provide good concessions so that they can live a fruitful life.

The interesting thing that I touched on when I started this conversation is that the shadow minister for seniors has asked me only one question in this house for as long as I have been the Minister for Seniors and Volunteering. I have a question: how serious does the opposition take seniors in Western Australia when it does not even question the government on that?

Several members interjected.

**The SPEAKER:** Member for Albany, I call you to order for the first time. Member for Mandurah, you are lucky the member drowned you out!