

# NSW LABOR RETURNS TO GOVERNMENT ON COST-OF-LIVING TICKET



*CPSA Bathurst NSW Election Forum: candidates for the seat of Bathurst, Paul Toole (Nationalist), Kay Nankervis (Greens) and Cameron Shaw (Labor) – photo courtesy Western Advocate.*

ON Saturday 25 May, the NSW Labor Party won the state election to form a government.

The NSW Government regulates only a few things that exclusively affect older people. Transport and other concessions are a good example. But there are other things which affect people regardless of age, such as access to hospitals.

NSW Labor campaigned on cost-of-living, an issue that affects everybody directly, including older people.

Labor has committed to abolishing the small land tax scheme started up by the previous NSW Government. This means land tax will not be an issue for at least four years. That's good news for people living on a low fixed income. But it doesn't put more money in their pocket.

People who rent in the private market will be able to transfer rental

bonds directly from one property to another. No longer a need to outlay money on a new bond while waiting for the old one to be paid out to you. It doesn't save money, though.

Evictions will no longer be possible without a legally defined reason. In theory, this means fewer evictions and people not having to meet the cost of moving so often.

The introduction of a weekly \$60 road toll cap is a good idea. It will benefit many working people on a reasonable wage. But people on low incomes can't afford to spend \$60 on road tolls each week. The cap will be meaning less to them.

The headline election commitment is for the public sector wages cap to be abolished. Importantly, this means nurses and paramedics will be able to campaign for higher wages.

The effect of higher wages would likely be more people wanting to

work in nursing or on ambulances. This is good news for older people. As a group, they use hospital services a lot.

Moving on from cost-of-living to health, higher wages for nurses and paramedics will be needed to attract a promised 1,200 new nurses and 500 paramedics.

Those increased numbers of nurses and paramedics are also needed to staff an upgraded Fairfield Hospital (\$115 million) and an expanded and upgraded Canterbury Hospital (\$225 million).

Planning for a new hospital in the Western Sydney Aerotropolis (still known as Badgery's Creek) will also start.

In transport, there will be \$1.1 billion to fund road improvements in western Sydney and regional NSW.

**Continued page 3**

# Letters

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## Bank closures and ATMs disappearing (1)

I LIVE in regional Victoria, near the NSW border. We have a few shopping plazas and each one used to have ATMs from major banks. So, I now use Coles for cash-outs quite frequently, or I use Woolworths.

Recently all bank ATMs in the shopping centres have been replaced with the fee-charging ATMs. I find this abhorrent.

My local bank knows of the situation and says it's only ATMs attached to the bank branch that still remain.

Bank closures are occurring quite frequently. Case in point, I went to Melbourne recently, needed some money and wanted to go to an ATM in a large market. But the Westpac branch was no longer there. There is one apparently five or six kilometres away at another shopping centre.

Bank closures will affect pensioners and the less mobile customers. We do not all do our banking via smart phones, nor does every pensioner have a computer to use.

Helena Stamenkovic

## Bank closures and ATMs disappearing (2)

THE general rot with banks appears to be unstoppable. The purpose of the rot is to increase profits at the expense of account holders.

An example of this is the Commonwealth Bank, which has just one branch in the Southern Highlands NSW, which covers some 2,330 square kilometres and has a population of 52670. Demographically, the number of people over 55 is 42 per cent (compared with Australia at 29 per cent). A significant proportion could be expected to be impacted by bank branch closures.

Compounding this situation, is the difficulty in accessing the one branch left, due to lack of public transport, lack of adequate parking, and distance required to travel.

By way of example, the bank is at Bowral, but I've elected to not drive past Mittagong due to age related safety reasons. In my view, that equates to discrimination by the Commonwealth Bank in closing the Mittagong branch.

The issue of branch closures isn't of course confined to the Commonwealth Bank.

Jim Christie



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### Membership is open to all who support the aims and objectives of CPSA

- I'd like to **renew** my membership or join CPSA as a Member and enclose my individual Membership fee of **\$15** (Includes a free annual subscription to THE VOICE, valued at \$32). I agree to be bound by the CPSA Constitution and uphold the Objectives and Policies of CPSA. I support the CPSA Objectives. I have not previously been expelled from CPSA or, if I have been expelled, I have attached a copy of my CPSA Executive exemption.
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- Please add a \$5 / other: \_\_\_\_\_ donation to my membership so I can be a CPSA supporter. (All donations above \$2 are tax deductible.)
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- Yes, I agree to CPSA using my mobile number to send me information and other Member communication.
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Name: \_\_\_\_\_

Address: \_\_\_\_\_

State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Phone: \_\_\_\_\_ Mobile: \_\_\_\_\_

Email: \_\_\_\_\_

Payment details (for credit card):

Name on card: \_\_\_\_\_ Card Number: \_\_\_\_\_

Expiry: \_\_\_\_\_ Amount: \_\_\_\_\_ Signature: \_\_\_\_\_

Please send to: CPSA, Level 3, 17-21 Macquarie St, Parramatta NSW 2150



## Is the pension expensive?

THE Age Pension costs the budget more than \$50 billion a year now.

Yes, and how much has been misspent in corrupt procurement deals by governments?

New ferries that don't fit under the bridge or are too small to cross over to Manly.

Detention camps that cost \$40 million a year and are in breach of the Declaration of Human Rights.

Trains that have been ordered that are unsafe, and millions and millions of other shoddy deals?

And the government complains about spending money on the aged! Incredible!

*Margie Peters-Fawcett*

## Home care in short supply

THANK you for your articles on home help, equipment etc and aged care packages.

We did so many interviews and qualified for assistance, only to be told that there are "no boots on the ground".

Sadly, I believe that the situation will get worse as they revamp the system.

Your information is valuable in making sense of it all.

I feel sorry for those who - in poor health, isolated and older - are experiencing the lengthy interviews which go nowhere.

Keep up the exposés!

*Beth Goldie*

## Send a letter to THE VOICE

THE VOICE, CPSA  
Level 3, 17-21 Macquarie Street,  
Parramatta NSW 2150  
[voice@cpsa.org.au](mailto:voice@cpsa.org.au)

You must include your name for the letter to be published, though this may be omitted in publication if the letter contains personal information. Letters may be edited for length and clarity.

## CPSA Funding

CPSA receives funding support from the NSW Government Department of Communities and Justice and from NSW Health, as well as from the Australian Government Department of Health.

## From page 1

Close to a billion dollars has been committed to making train stations accessible. The train station accessibility program commenced in 2000. It was to have all rail stations in NSW made accessible by 2020. There is still a long way to go with this program.

## People with disability over 65 are fighting back

MITRY lawyers are working on a class action lawsuit that should be ready to launch within the next few weeks.

There are two main claims they're making.

One, that the age limit of 65 for the NDIS is inconsistent with the United Nations Conventions on the Rights of Persons with Disabilities, which prohibits all forms of discrimination, including age discrimination.

To be eligible for the NDIS you must be under 65 when you apply. Apply after-65, you'll get aged care, not the NDIS. The average NDIS plan provides \$111,000 a year, and it is not means-tested. The maximum Home Care Package is worth \$53,000 a year and you may need to make personal contributions towards that.

The second claim is that the staggered rollout of the

To address problem gambling, the new NSW Government will ban financial political donations from clubs. It will trial a mandatory cashless gaming card and will ban external gaming signage.

The new Government plans to end privatisation of state-owned assets. In the long term this should help slow down spiralling costs.

NDIS is unconstitutional: the Commonwealth government cannot discriminate based on state of residency. But because of the gradual rollout, people in some states were able to access the NDIS back in 2013, while the roll-out didn't finish until 2020.

So, some people who acquired their disability before the age of 65 still missed out on the NDIS, because of the staggered roll-out.

The argument to be tested in court is that people over 65 are unfairly disadvantaged and should be able to access the NDIS.

Mitry lawyers are also fighting for compensation for the difference in funding received and any health or financial consequences as a result of this.

If you're interested in the class action, you can find more information and register your interest on the Mitry website or call (02) 9222 2833.



## CPSA Constitution and Annual Report

Please ring Head Office on 1800 451 488 if you would like a copy of the CPSA Constitution or CPSA's 2021/22 Annual Report to be posted to you. Alternatively, copies can be obtained online at [www.cpsa.org.au/about-combined-pensioners-and-superannuants-association/](http://www.cpsa.org.au/about-combined-pensioners-and-superannuants-association/)



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# CPSA News

## Lived experience of the cruel NDIS 65 age limit

A READER wrote to CPSA about the cruel consequences of the NDIS 65 age limit.

In 2001, when she was not yet 65, she was diagnosed with hydrocephalus. This is a neurological disorder where cerebrospinal fluid (CSF) puts harmful pressure on the brain. CSF flows in and around the brain to help cushion it from injury.

Here is what she wrote:

*I was diagnosed with hydrocephalus in 2001 when I was 47. I was suffering from hydrocephalus for years prior to my diagnosis and by the time I received surgery I had had a brain injury.*

*I probably should have accessed my*

*superannuation insurance then, but I was too brain-injured to think about that.*

*I had no support, and I was the mother of a small child (she was 5 at the time). I was trying to escape a domestic violence situation and protect my daughter. I was put on a Disability Support Pension, and I have been on that ever since.*

*In 2009, the surgery was repeated as my brain was again traumatised. I have only ever been able to work part time since 2001.*

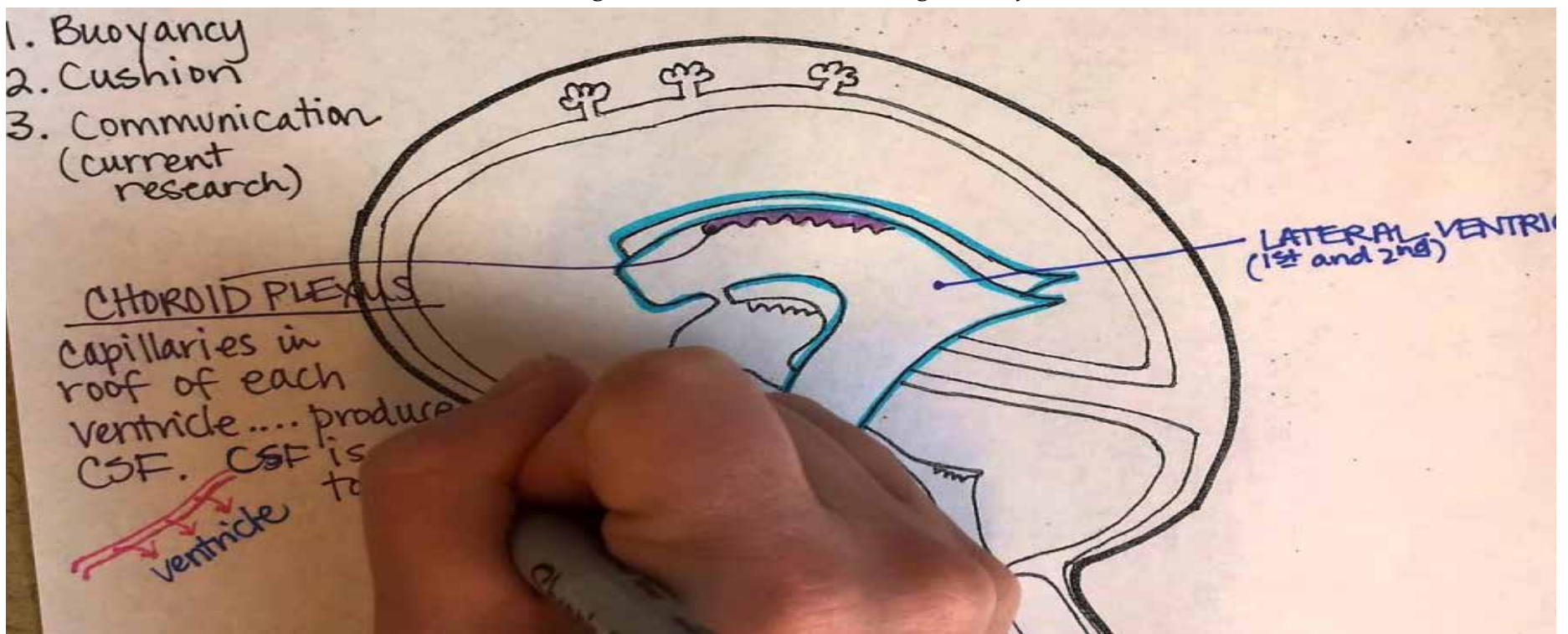
*I look reasonably normal as my problem is neurological. It affects my balance, my coordination, ability to react appropriately to situations, my ability to express myself. I have headaches and memory issues, vision issues and my vertigo is at times debilitating. All of*

*these symptoms are with me daily.*

*Most people who have brain injuries experience extreme anxiety. We don't know how much or little brain pressure we will have on any given day. Headaches result from too high or too low CSF in our brain ventricles. Many of us use postural changes to assist with pressure. Stressful situations resulting in anxiety attacks are all too common.*

*I am 69 now, and I am on a Home Care Package, but I have so much trouble dealing with the providers. They have no idea about neurological conditions. This is so frustrating.*

*Apart from having providers who are educated about brain injuries, all that I would like to see from this process is a change of legislation with regards to older people having access to the NDIS.*



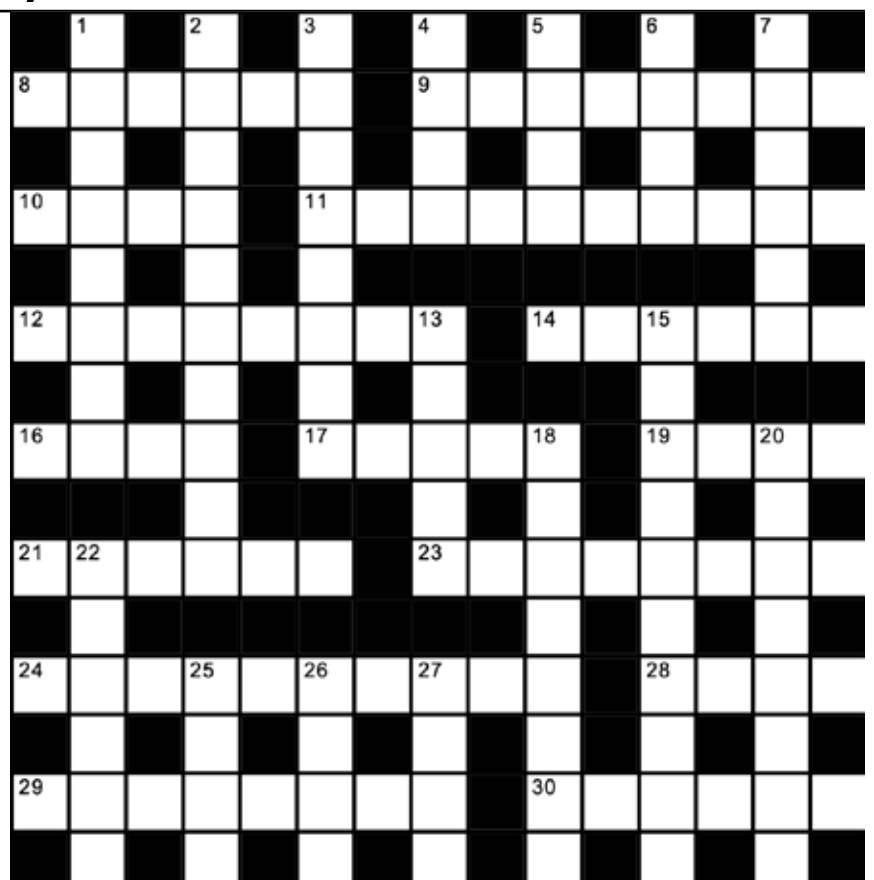
## Crossword by Luke Koller

### Across

- 8 In great numbers
- 9 Furniture for clothes
- 10 A dusty pink colour
- 11 Edible herbaceous plants
- 12 Trailblazers
- 14 Make
- 16 Sensational promotion
- 17 Rectangular slabs used to cover surfaces
- 19 Domesticated bovine animals
- 21 A person who changes documents
- 23 Giving to a good cause
- 24 Easily obtained
- 28 Deep soft mud
- 29 Furniture for books
- 30 Small and light boats

### Down

- 1 The greater in number
- 2 The governing authority
- 3 Greatest physical weight
- 4 Small branch
- 5 Run at a moderate pace
- 6 Wormlike larva
- 7 A tangible and visible entity
- 13 Dish made with lettuce
- 15 The feeling of cheerful joy
- 18 A string of words
- 20 Occurring in winter
- 22 Medical practitioner
- 25 Large northern deer
- 26 A join
- 27 Makers of honey



**Solution on back page**



## Getting ready for IHAC, the In Home Aged Care program

IT'S been years in the making but it looks as though 1 July 2024 will be the start date of IHAC, or the In Home Aged Care program.

It merges the current Home Care Package Program, the Commonwealth Home Support Program (CHSP) and the Short-term Restorative Care Program.

A lot is not yet known about this new program.

Even its name may change, but IHAC rolls off the tongue easily enough.

So, if you receive home care now, things will change on 1 July 2024.

They will change the most, if you currently receive care through the Commonwealth Home Support Program, which used to be the home care programs run by the states and territories.

It's going to be made like the Home Care Packages program but without the Home Care Packages. Instead of a Package, you will have a care plan. Your care plan will be based on an

independent assessment. It will have an annual budget to go with it.

All this sounds very straightforward but isn't.

Your current CHSP providers are used to receiving an overall subsidy upfront and they provide as many services as they can with that. It's called block-funding.

That will be changed to what's known as 'activity-based funding'. The NDIS works on that basis, as does the Home Care Packages Program.

It means that your CHSP provider has to get used to being paid for a service after delivering it. So, from receiving a big lump of money upfront, they will now get paid monthly for just the services they

have provided during the month.

In other words, your CHSP provider will have to dramatically change the way they organise what they do.

Meanwhile, there will be providers currently active in the Home Care Packages program trying to poach the CHSP provider's business: that's you!

The Government assures CHSP care recipients that service provision will not skip a beat.

However, a total of 1,407 CHSP providers supported 818,228 clients during the 2021-2022 year. The CHSP is a vast program. Moving it from how it currently works to a new system is unlikely to be smooth.



## Is a Medicare shake-up coming?

ANYONE who has been struggling to find a GP who bulkbills knows that reform is urgently needed for Medicare.

Medicare was supposed to be a health system that provides everyone with quality healthcare no matter their income, but it has become increasingly unfit for purpose.

Many people with low incomes are left delaying healthcare and presenting to emergency departments with easily preventable problems that could have been managed by primary care, that is, by seeing a GP.

The Productivity Commission's Report on Government Services 2023 found that in 2021-22 the number of Australians delaying seeing a GP due to the cost increased by almost 50 per cent compared to 2020-21. This figure isn't likely to get better any time soon.

In March, the Strengthening Medicare Taskforce Report was released. The aim of this taskforce is to ensure the primary health care system is equitable, affordable, easy to navigate and patient-centred.

It has proposed some big reforms for Medicare, including team-based primary care that gives nurses and allied health professionals a bigger role in primary care. It has also suggested ways to provide for longer consultations and incentives

to promote better patient outcomes.

While these suggestions have been welcomed by many, some are concerned this will be too little too late.

For starters, most of the interventions suggested are long-term plans that will take time to fully take effect.

No matter how good these ideas are, they offer little relief to those who are currently unable to afford a trip to the GP.





## Reserve Bank is putting paid to cheques

A CPSA member from Bathurst rang to lament the disappearance of regional bank branches, ATMs and... cheques. He pointed out that for many seniors life is getting very difficult.

Can't get cash because there's no physical bank in town.

The ATM, if you can find one, charges a monstrous fee to take out your own money.

Can't send a cheque because they're on the way out, too.

If you're not online, what do you do?

If you are but internet or mobile coverage where you live is unreliable, what do you do?

And if you're online but don't trust doing your banking online,

what do you do?

But let's talk about cheques here.

As everyone knows, fewer and fewer cheques are being written. Twenty years ago, 46 million cheques were written each month. Last December, that number was a measly 1.8 million cheques.

At its February 2023 meeting, the Reserve Bank's Payments System Board "discussed the high cost of maintaining the cheque system and the increased availability of alternative payment options".

The media release added: "The Bank will continue to work with financial institutions and the government to support the further transition away from cheques".

And that "transition away" is gathering pace.

Recently, the Commonwealth

Bank wrote to its business customers, advising them of plans to start limiting access to cheques. For any business accounts opened after 3 June 2023, cheque accounts will not be available, and for existing cheque accounts replacement cheque books will no longer be issued automatically.

Personal cheque accounts are not (yet) being targeted by the Commonwealth Bank, but give it time.

The same can't be said for Citi Bank Australia and the Australian Mutual Bank, which stopped issuing cheque books altogether a year ago.

Also a year ago, National Australia Bank stopped processing cheques drawn on credit union accounts.

AMP Bank stopped issuing cheques in 2021.

Obviously, the new online banks, like Judo Bank, don't issue cheque books.

CPSA has advocated for cheques and face-to-face banking to be kept going for as long as there is a demand without alternatives for everyone.

It will do so again as part of an upcoming inquiry by the Senate's Rural and Regional Affairs and Transport References Committee.



## Renters are feeling the heat

A BETTER Renting research report released in March measured temperature and humidity in 77 renters' homes across Australia over summer.

A safe, healthy indoor temperature is generally no more than about 24 degrees. After this, it can start to cause health problems, including dehydration and respiratory issues.

But according to this report, indoor temperatures in rented properties were above healthy levels 45 per cent of the time over the summer.

The temperature got as high as 51.8 degrees inside one home and the maximum humidity recorded was 96 per cent.

Keep in mind that these temperatures were recorded over the summer just finished, which was pretty mild.

These findings were backed up

by the Australian Council of Social Service's 2023 Heat Survey. This survey was open to people receiving an income support payment from Centrelink.

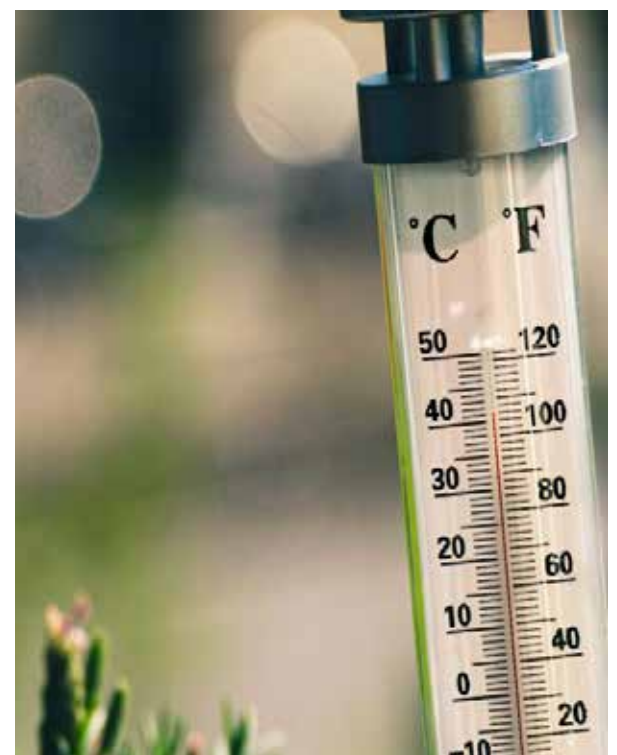
It found that not only did 97 per cent of respondents avoid doing certain activities because of the heat, but also that the heat negatively affected 89.4 per cent of people's health. The cost of air-conditioning made it hard for 83.2 per cent of people to afford their energy bills.

In most states, there are no regulations for the quality of rental properties. Since renters aren't able to make significant changes to their homes, this means that many are putting up with roofs that have no insulation, windows that aren't properly shaded and inefficient or no cooling appliances.

Even if there is a functional air conditioner, it would have to run all day and night to combat the summer heat in these poorly insulated homes.

This isn't an option when money is already tight and electricity bills continue to grow.

Renters deserve to have safe, healthy homes. To do so, we need a national mandate on minimum energy efficiency standards for rental properties to keep people cool in summer and warm in winter.





## Power bills on the rise again

BAD news: power bills are set to soar. Good news: they could have been set to soar twice as high.

The Australian Energy Regulator (AER) has just released their draft determination for Default Market Offers over the 2023-24 financial year.

The Default Market Offer is the price that you'll be offered if you don't negotiate a better deal with your energy supplier. In other words, it is the maximum amount you can be charged and is used as a benchmark for suppliers to base their other offers on.

The AER's job is to balance the needs of the consumers against the needs of the supplier. Suppliers need to cover the cost of providing services and make a profit but not at the expense of customers' financial wellbeing.

The Default Market Offer changes are based on a few different factors, but the AER's proposed offer for residential customers ranges from just under \$2,000 to \$3,000 each year.

This means an increase as high as 19.8 per cent in Queensland, 21.8

per cent in South Australia and 23.7 per cent in New South Wales.

Victoria sets its own default offer, separate from the AER, but the price suggested by their Essential Services Commission will see the average residential customer paying 31.1 per cent more in the coming financial year.

These increases will be a huge financial burden for many households, but while bad they aren't as bad as they were first predicted to be.

At the end of last year, the federal Government announced an Energy Price Relief Plan, which included placing a temporary price cap on wholesale gas and coal. This plan brings down expenses for retail electricity suppliers buying from the wholesale market and in turn means lower bills for customers.

Without this intervention the AER said the increases could have been up to 41 per cent in Queensland, 44 per cent in New South Wales and a whopping 51 per cent in South Australia.

Of course, you can bring down this increase further if you shop around and negotiate yourself a better deal. If you're looking to do this, a good place to start is the Government's Energy Made Easy website.

But even with the best deal on offer, price increases will impact all customers, and it especially hits households on low incomes hard. A 2022 survey of households earning \$50,000 or less found that despite customers budgeting and prioritising paying their utility bills, 38 per cent still struggled to pay their bills on time.



## Energy bill cuts for retirement villages, manufactured home parks

IF you live in an apartment block, retirement village or manufactured home park you might get your power, gas and water through a so-called embedded network.

Instead of getting your bill straight from the provider, the apartment block, retirement village or manufactured home park buys energy, gas or water from the provider and then sells it on to you.

An inquiry into embedded networks in NSW was launched last year with the report being released at the end of the year. Now the NSW Government response has been released too.

The report found many issues with embedded networks in their current state.

For example, hot water embedded networks fall outside of existing regulations so many customers are receiving ridiculously high bills. In

one case this was nearly \$2,000 over just a 9-month period.

Further, there is currently no requirement to inform buyers or renters that a property is within an embedded network before they sign the contract or give them any information on what this actually means. If issues arise, the complaints process is confusing, time consuming and hard to access.

Twenty-two recommendations were made to address these issues, fourteen of which were supported in the government response and a further seven were supported in principle.

A couple of recommendations have already been addressed with the NSW Government's newly announced Embedded Network Action Plan.

This plan includes three main actions that they hope will improve outcomes for 150,000 customers living in embedded networks.

First, a maximum price for any gas, hot or chilled water supplied

through embedded networks will be introduced. This maximum price will be determined by the Independent Pricing and Regulatory Tribunal (IPART).

Second, an IPART review into electricity prices in embedded networks will be held. The final report of this review will recommend whether the maximum electricity price should be set below the Commonwealth's default market offer. This is the maximum amount you can be charged for electricity directly from suppliers.

Third and last, another IPART review will look into whether the establishment of new hot and chilled water embedded networks should be banned.

Three out of twenty-two is a start, but to really make a difference for embedded network customers, the remaining recommendations around the huge regulatory gaps and safety issues faced by many need to be addressed.



## How Mr Hardiman quitting his job affects deeming rates: FOI

ON 6 March, the federal Freedom of Information (FOI) commissioner, Mr Leo Hardiman KC, gave notice, less than a year into a five-year contract.

He says his powers don't allow him to fix a system plagued by delays.

You might be tempted to stop reading here, wondering how FOI affects you when it's at home. But over the years CPSA has used the FOI system to great effect. For example, it was CPSA which prised assault stats for Queensland Gold Coast nursing homes out of the Department of Health using FOI.

The Centre for Public Integrity in September said FOI requests responded to outside the statutory 30-day period had increased from 11.5 per cent in 2011-12 to 22.5 per cent in 2021-22.

One-in-eight responses to FOI applications are now over 90 days late.

CPSA has currently one review of a departmental decision on an FOI application outstanding with

Mr Hardiman's office. It's been outstanding for a while, since 2019 in fact, while the initial FOI application dates back to 2018.

Briefly, CPSA applied to the Department of Social Services for information that would show how decisions about increasing or lowering the deeming rates are made.

CPSA cited public interest and the fact that the Reserve Bank explains its cash rate decision every month. Why should the Department of Social Services and its Minister be any different?

The Department said: no.

CPSA lodged a review application with the Department.

The Department again said: no.

CPSA appealed to the Office of the Australian Information Commissioner.

And that's where it's been sitting ever since, at the bottom of the bottom drawer.

Deeming rates are 'frozen' until 30 June next year. But given the increases in bank interest rates, July 2024 may well bring an increase in deeming rates.

Wouldn't you like to know what

banks have fully passed through the cash rate target increases to their mortgage interest rates.

However, the increases in interest rates on deposit accounts appear to have typically been smaller and less consistent.

In many cases, banks have only applied increases in the cash rate to some of their deposit products, often with conditions attached.

The ACCC has said it will examine the extent to which depositors can benefit from shopping around and switching.

The ACCC is expected to release an issues paper in the coming months. It has to report to the Treasurer by 1 December 2023.

It will be interesting to see if just the fact that the ACCC is doing an investigation will prompt banks to become more generous in the interest rates they offer on deposits.

The ACCC investigation will also look at any differences in rates paid to new and to existing customers.



factors were taken into consideration in setting any increase?

Look at the lively public discussion about the Reserve Bank's cash rate decisions. Wouldn't it be good if the deeming rates received as much public scrutiny?

CPSA's FOI application may still come to fruition. Just before Christmas last year, CPSA received a letter from the Office of the Australian Information Commissioner, which read in part:

*We are progressing the review of all IC [Information Commissioner] review applications received in 2018 and 2019.*

*Given the passage of time, as a preliminary step, I am writing to enquire whether you wish to continue your IC review or withdraw it.*

Two guesses what CPSA response was to this.

If you are a loyal bank customer, you don't qualify for the sometimes attractive offers designed to attract new customers. Is this fair?

Bank interest rates also differ according to the size of the deposit. Deposit more than, say, \$50,000, and you will get a significantly higher rate over all of your deposits, including the first, say, \$10,000. Somebody who deposits \$10,000 only may get a much lower rate. Is this fair?

Then there is the fact that term deposits by institutions such as managed funds tend to get a higher rate than deposits by somebody who walks in off the street. Is this fair?

The investigation will also look at fees and charges, including break fees.

The ACCC will also look at the curious practice by the banks to wait and see what the competition does following a hike in the Reserve Bank's cash rate.

## High mortgage rates, low term deposit rates investigated

THE federal Treasurer has ordered the Australian Competition and Consumer Commission (ACCC) to investigate how banks set interest rates for savers.

The investigation was prompted by the age-old complaint about banks passing Reserve Bank cash rate hikes on in full to borrowers, but dragging their feet to the point of immobility on raising deposit rates.

Australian households together hold more than \$1.3 trillion in savings and deposit accounts.

That total really matters. For example, if the average deposit rate were to be one-tenth of a per cent lower than it should be, that would be \$1.3 billion in the banks' pockets rather than depositors' pockets.

The cash rate target set by the Reserve Bank has increased from 0.1 per cent to 3.6 per cent. In most cases,



Then there's the question of what deposits are used for by the bank. The bank rents your money and then rents it out for more. That much is clear, but is it rented out to people who take out a mortgage or is it rented out as an unsecured personal loan to a teenager buying

## The objective of the objective of superannuation

WHEN the federal Government announced its proposed objective of superannuation, the criticism was that 'the system' and 'the rules' are about to change yet again.

And they are, but the Treasury's consultation paper on the superannuation objective reassures people who are responsible for, and who run super funds: "As the objective is not intended to guide the regulation of trustees' conduct, it would not change trustee obligations".

So, they're off the hook.

You will not currently find any objective of superannuation in superannuation legislation. Even so, it is pretty clear to anyone who has a super account roughly what the objective is.

It's money for your retirement.



## Millionaires, superannuation and the pension: next federal election

PAY no attention to the huffing-and-puffing over the new \$3 million super 'cap' in some sections of the media and the corridors of the Australian Parliament.

Apparently, the next federal election is going to be fought and decided over this. Really? With only half a per cent of superannuation accounts being affected?

What are the facts?

There are two types of super accounts:

their first car?

How much do banks pay for money they don't source from deposits but which they borrow in different ways?

Does all this work differently for small banks as compared with big banks?

So, what's the big hullabaloo about then?

It's about the exceptions, other than exceptions relating to hardship.

Including an objective of superannuation in legislation is about preventing exceptions being made to it being for retirement funding and nothing else.

There has been one such exception to date.

This happened during the first year of the COVID-19 pandemic. The then Coalition Government allowed people of working age to access their superannuation in order to cope with loss of employment income.

Billions were syphoned out of super funds.

And while it has not yet happened, there are recurrent proposals for superannuation to be made accessible to fund the purchase of a family home.

To make sure super is used in retirement only, the current Government has come up with the following wording for the objective of superannuation:

"The objective of superannuation is to preserve savings to deliver income for a dignified retirement,

An accumulation account is used to save up for retirement. A 15 per cent tax applies to initial deposits and ongoing earnings (interest, dividends etc)

A pension account is used to pay an income in retirement.

A superannuant can deposit up to \$1.7 million per person in a pension account. Deposits and earnings are tax-free.

If a millionaire has deposited \$1.7 million in their pension account and they have more, the millionaire can leave as much as they like in their accumulation account. Earnings there attract 15 per cent tax.

The ACCC's report to the Treasurer will offer a fascinating look in the money kitchens of our financial institutions, even if afterwards the banks continue business as usual and put up mortgage rates higher and faster than deposit rates.

alongside government support, in an equitable and sustainable way."

The detail of this definition is negotiable, the rest isn't.

Whether or not this would be a sufficient bulwark against any future attempts to allow people to access their superannuation early or for purposes other than funding their retirement is debatable, but it would make it more difficult.

In his speech announcing the Australian Government's intention to include an objective of superannuation in legislation, the Treasurer also made it clear that just enshrining the objective of superannuation into legislation, is not where superannuation reform by his Government stops.

"... we also need to work within the system itself", the Treasurer said, promising action to address under- and non-payments of the compulsory employer contribution and funding the super guarantee on government paid parental leave.

The Treasurer also made it clear he had excessive superannuation tax concessions in his sights. He noted that superannuation concessions would exceed the cost of the Age Pension by around 2050.

The change?

If a millionaire has more than \$3 million in their accumulation and pension accounts combined, they will pay 30 per cent tax.

30 per cent on what?

On the earnings attributable to any amount the millionaire has over \$3 million.

Say a millionaire's pension and accumulation superannuation accounts combined hold \$3.5 million at the end of a financial year.

Say those accounts combined earned \$150,000 in income (less than 5 per cent).

Of that \$150,000, \$22,000 is



attributable to the \$500,000 by which the millionaire's total balance exceeds \$3 million.

30 per cent tax on that is \$6,600.

Assuming \$1.7 million is sitting in the millionaire's tax-free pension tax account, the millionaire pays another \$8,400 in tax (15 per cent) over the \$1.3 million in their accumulation account.

## How to make the most of your hard-earned savings

IT'S no secret that banks are quick to pass on interest rate increases to borrowers and slow to pass them on to savers.

Since April 2022 the Reserve Bank's cash rate target has risen 3.5 per cent. But over the same time the interest rate on a basic deposit account has grown by less than 2 per cent.

Bonus savings accounts on the other hand offer a bit more bang for your buck.

The big four banks can get you around 4 per cent interest per annum, but if you shop around, you

## Bad news for older people at risk of homelessness

LAST year CPSA made a submission to the NSW Legislative Council's Inquiry into Homelessness amongst Older People Aged over 55 in New South Wales.

This submission covered the worsening housing crisis and how older people who don't own their own home are a growing group who are extremely vulnerable to homelessness.

This will come as no surprise to anyone waiting on the state's public and community housing waiting list of over 57,000.

The NSW Government has responded to the inquiry's final recommendations.

Of the 40 recommendations in the report the government supported just nine, supported another 24 'in principle' and 'noted' the remaining seven.

Some of the 'noted' recommendations include key recommendations of CPSA's submission, such as establishing a

Their total tax bill would be \$15,000 over an income of \$150,000.

Now, a younger person making a very good living (salary \$150,000 a year, paying off a stupendously sized mortgage) pays \$46,000 in income tax.

So, under the new, yet-to-be-voted-through rules, which are represented as an attack on super

should be able to find something even better.

For example, ING's Savings Maximiser account can get you up to 5 per cent interest per annum.

There is a catch though.

Most of these high reward accounts have conditions you must meet each month. Often this is a significant deposit, of say \$500 or \$1,000, and a minimum number of purchases from the account each month.

If you can't meet these requirements the base interest rate can be as low as 0.1 per cent.

So, what is the best way to make the most of your savings and avoid missing out?

housing service targeted towards older people.

Another 'noted' recommendation is to 'investigate the costs and implications of lowering the age limit for access to the Housing Elderly Persons priority group from 80 years to 55 years and from 55 years to 45 years for Aboriginal and Torres Strait Islander people'.

This leaves many older people without any hope of getting public or community housing until they are 80, at which point they're likely to have already experienced homelessness.

From 2011 to 2021 the number of people over 55 renting in the private market has grown from 137,529 to 239,937. This is because less people own their homes without a mortgage in retirement and a smaller percentage of people are living in public or community housing because of the severe shortage of dwellings.

There are calls for the Government to build 5,000 public and community housing dwellings each year for the next ten years.

in some quarters, the retired multi-millionaire (\$3.5 million) receives a tax break of \$31,000 per year.

The single Age Pension stands at just under \$27,000 a year.

So, even under the new rules, the millionaire gets more income support than the pensioner.

Maybe the next federal election should be fought over that!

Don't be held back by brand loyalty. Often when you first transfer to a new bank, you'll get a new customer rate for a few months before being dropped down to a lower existing customer rate. If you're not happy with this rate you always have the option to again shop around.

If changing banks seems too confusing, you could also try calling or, if your local branch hasn't closed, visiting your existing bank. They aren't going to be able to negotiate rates, but they can lay out all of your options, and potentially find you a better deal. Sometimes they might even be willing to extend the higher introductory rate.

However, since 2016 the NSW Government has only committed to building under 10,000 new public and community housing homes by 2026.

More than 4,000 social housing properties have been sold, angering many residents who have lost their homes and communities. Last weekend these residents and concerned organisations, including CPSA, attended the Rally for Housing Justice to defend public housing and promote rights for all renters.

Much more must be done to make sure everyone can live in an affordable and secure home. Homelessness has got to stop.

## Donations

THE VOICE publishes donations to CPSA of \$35 and over. All other donations are most welcome and equally appreciated.

Marjorie Atkinson	\$35
Hilary Healing	\$40
Edith Honold	\$85
Lee Howe	\$50
Ron Stevens	\$55



# CPSA Information Directory

## INCOME SECURITY

**Centrelink**  
Age Pension **13 23 00**  
DSP/Carer benefits **13 27 17**  
Family Assistance **13 61 50**

**Welfare Rights Centre**  
**1800 226 028**

**British Pensions in  
Australia**  
**1300 308 353**

**National Debt Helpline**  
**1800 007 007**

## HOUSING

**Housing NSW**  
Public and community housing  
**1800 422 322**

**Tenants' Union Advice Line**  
**1800 251 101**

**Tenancy Advice & Advocacy  
Service**  
Find your local service  
[tenants.org.au](http://tenants.org.au)

Find the help you need with

**myagedcare**



**1800 200 422**

[www.myagedcare.gov.au](http://www.myagedcare.gov.au)

## GOODS & SERVICES

**NSW Energy & Water  
Ombudsman (EWON)**  
**1800 246 545**

**Telecommunications  
Industry Ombudsman**  
**1800 062 058**

**NSW Seniors Card**  
**13 77 88**

**No Interest Loans Scheme**  
Loans to purchase essential  
household items  
**13 64 57**

**Energy Made Easy**  
Price comparisons  
**1300 585 165**  
[energymadeeasy.gov.au](http://energymadeeasy.gov.au)



**Emotional, practical  
and financial support  
for carers**

**1800 422 737**

**NSW Ageing and  
Disability Abuse  
Helpline**



**1800 628 221**  
(Mon-Fri 9-5)

**medicare**

**132 011**

24/7  
GENERAL ENQUIRIES  
HELPLINE

**Advance Care  
Planning Australia**

BE OPEN | BE READY | BE HEARD

**1300 208 582**

PLANNING  
FUTURE HEALTHCARE  
PREFERENCES



National Disability  
Insurance Scheme

**1800 800 110**

DISABILITY  
SUPPORT FOR  
PEOPLE UNDER 65



afca  
Australian Financial  
Complaints Authority

**1800 931 678**

DISPUTE RESOLUTION  
FOR FINANCIAL  
SERVICES

## HEALTH, WELLBEING & TRANSPORT

**Office of Hearing Services**  
Subsidised hearing aids  
**1800 500 726**

**National Dementia Helpline**  
**1800 100 500**

**VisionCare**  
Subsidised spectacles  
**1300 847 466**

**Taxi Transport Subsidy  
Scheme**  
[transport.nsw.gov.au/ttss](http://transport.nsw.gov.au/ttss)  
**1800 623 724**

**National Continence Helpline**  
**1800 330 066**

**Rape Crisis Centre**  
24hours/7days  
**1800 424 017**

**National Domestic Violence  
Helpline**  
**1800 200 526**

**NSW Health Care Commission**  
**1800 043 159**

**Carers NSW**  
**1800 242 636**

**Aged Care Complaints  
Commissioner**  
**1800 951 822**

**Lifeline**  
**13 11 14**

**Australian Men's Sheds**  
**1300 550 009**

**NSW Public Dental Health  
Services**  
Call NSW Health for details  
**1800 639 398**

**Cancer Council NSW**  
**13 11 20**

**Exit International**  
Information about euthanasia  
**1300 103 948**

**Mental Health Crisis Team**  
24/7 for mentally ill people in crisis  
**6205 1065**

## LEGAL

**Seniors Rights Service**  
Retirement village advocacy  
**1800 424 079**

**Fair Trading**  
Rental bond and tenancy info  
**13 32 20**

**Law Access**  
Referrals for legal help  
**1300 888 529**

**NSW Dispute Resolution**  
**1800 990 777**

**Women's Legal Services  
NSW**  
Family law, domestic, violence,  
sexual assault & discrimination  
**1800 801 501**

## RIGHTS

**Australian Human Rights  
Commission**  
Complaints about discrimination  
**1300 369 711**

**Commonwealth  
Ombudsman**  
**1300 362 072**

**NSW Ombudsman's Office**  
**1800 451 524**

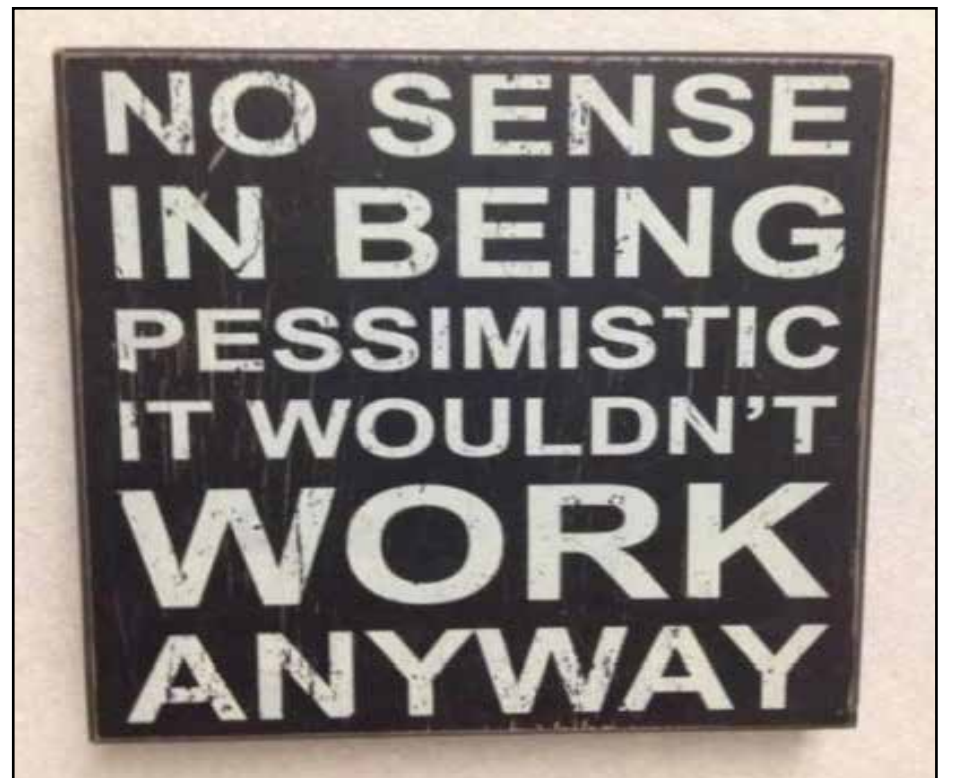
**NSW Trustee and Guardian**  
**1300 360 466**

**Guardianship Tribunal**  
**1300 006 228**

**Older Persons  
Advocacy Network (OPAN)**  
Individual advocacy for aged  
care recipients  
**1800 700 600**



# Giggle Page



## Crossword Solution

Crossword on Page 4

	1	M		2	G		3	H		4	T		5	T		6	G		7	O	
8	G	A	L	O	R	E				9	W	A	R	D	R	O	B	E			
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	R	R	I																C		
12	P	I	O	N	E	E	R	S		13			14	C	R	E	A	T	E		
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16	H	Y	P	E			17	T	I	L	E	S		18			19	C	O	W	S
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21	E	D	I	T	O	R				23	D	O	N	A	T	I	N	G			
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24	A	C	C	E	S	S	I	B	L	E				28	M	I	R	E			
	T	L	E	E											N	E	I				
29	B	O	O	K	C	A	S	E						30	C	A	N	O	E	S	
	R	S	M	S	E	T	R														