CPSA
COMBINED PENSIONERS & SUPERANNUANTS ASSOCIATION OF NSW INC

THE VOICE OF PENSIONERS AND SUPERANNUANTS

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SPEAKING OUT FOR PENSIONERS SINCE 1931

800,000 ARE GOING TO PAY A LOT MORE FOR HOME CARE FROM 1 JANUARY 2024

FROM 1 July 2024, the new In-Home Aged Care (IHAC) program will dramatically increase personal contributions for 800,000 people on cheaper home care now.

IHAC merges the Home Care Packages (HCP) program and the Commonwealth Home Support Program (CHSP).

Although the Department of Health and Aged Care has published two discussion papers so far, neither talked about personal contributions under the new In-Home Support Program (IHAC).

IHAC starts on 1 July 2024. There simply isn't enough time for the Department to put together a new personal contributions system. CPSA thinks it's therefore a fair assumption that the way personal contributions are calculated under the current HCP program will be the way they are calculated under IHAC.

If you are one of the more than 800,000 clients of the Commonwealth Home Support Program, you may be aware that the CHSP works with a principles-based Client Contribution Framework.

This is a roundabout way of saying that it is left to your CHSP provider to decide how much you pay in personal contributions, if anything. Effectively, your provider applies an ability-to-pay test to you and charges accordingly. As a result, CHSP clients tend to pay a lot less than HCP clients.

The Home Care Package (HCP) program is a different kettle of fish.

The HCP program can charge every client a Basic Daily Care Fee. This Basic Daily Care Fee (currently $10.18 for HCP level 1 and $12.14 for HCP level 4) is payable every day of the week. Even if you receive a service on one day of the week, you would be charged seven lots of Basic Daily Care Fees a week.

It is not certain that this most unreasonable fee will be carried over into the new In-Home Aged Care program. However, there's no indication that it won't be.

Also, a lot of HCP providers waive the Basic Daily Care Fee, although there's a suspicion they were making up for it by charging excessive admin and management fees. These latter fees have been capped from 1 January this year. It's too early to tell whether charging of the Basic Daily Care Fee has increased since then.

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Letters

THE VOICE
OF PENSIONERS AND SUPERANNUANTS

Phone: 1800 451 488
Fax: (02) 8836 2101
Email: voice@cpsa.org.au
Giggle Page: Pam Townsend
Design: Antoine Mangion
Printer: Spotpress
24/26 Lilian Fowler Place,
Marrickville NSW 2204

All content is prepared by the CPSA *VOICE* editorial and production team.

THE VOICE
CPSA
Level 3
17-21 Macquarie Street
Parramatta NSW 2150

Letters are personal views only and do not necessarily reflect CPSA policy. Ed.

Banks, cheques and cash (1)

NO more cheques! How will we pay our bills when chequebooks are no longer available? We will be deprived of being able to include a surprise present inside a birthday or special occasion card. What a backward step by financial institutions which are withdrawing the cheque on the basis of "turnover"! Where's the profit in cheques? It would be reasonably assumed that cheques were a service to encourage customers to use a particular institution over another and were never considered part of the profit process.

This is not the end of significant changes to our financial services, already, statistics reveal that cash transactions represent only 20% of all transactions – so cash may be the next to go!

We can already see both regionally and in the cities that bank branches are closing or drastically downsizing. ATMs are being withdrawn. How often do you see the sign "Cash is NOT acceptable – all transactions by CARD only"?

"Online" financial transactions are not "Scam Safe". There are, still, many in the community who did not grow up being exposed to digital technology and find it extremely difficult to become "tech-savvy".

All governments need to protect these vulnerable people and legislate a "Seniors Safe Act" to ensure that ALL financial institutions ensure that changes to their protocols do not disadvantage seniors in the community.

John Hollis
President, Bathurst CPSA Branch

Banks, cheques and cash (2)

THE mysteries of technology. At 87, I do not know how to use ATMs, and I do not use a mobile phone let along a smart phone.

I hope CPSA keeps in mind very elderly people who cannot, or now cannot, cope with some technological matters.

Fortunately, I can use the internet and emails and indeed write whole books – being long used to doing that – but mental capacity is declining, something that few younger people understand often happens. (I have been an honorary hospital chaplain for 25 years so I learnt something about old age earlier – but more when I became old myself!)

Fortunately, too, I still have a bank passbook (though to new customers the bank will not offer something so helpful), and it is combined with a cheque account. But, not doing any banking online, I have to travel to Macarthur to find a branch.

I still have accounts at a different bank,

but it no longer use a passbook though it will write in the balance in mine.

What is the use of having governments, doing nothing when the banks treat people so poorly – and when the Commonwealth and Rural Banks were sold off so long ago!

John Bunyan

Banks, cheques and cash (3)

I HAVE lodged a submission to the Senate Inquiry into the regional closure of bank branches.

Closing branches in many ways is a form of ageism and discrimination against older and Australians with disabilities, as well as younger people who are vulnerable and disadvantaged.

There are implications for employment and social cohesion in smaller communities.

Peter Sutton

Banks, cheques and cash (4)

I'D LIKE to bring this to the notice of the people who haven't considered the ramifications of a cashless society. This control of our money by being forced to use digital cards is not beneficial to the general public. There will be no way to save money for unexpected emergencies.

At the moment we can send cheques for children and grandchildren's birthdays and Christmas. What happens when as predicted cheques are made obsolete?

Now we have discussions on closing postal services which means bills can't be paid by cheque as in the past. [Subscriptions to] magazines and newsletters, for example CPSA, will not be available to the elderly who dislike computers.

When we are forced to use cards or computers for every transaction it will be recorded and controlled. What happens in a power black-out, or you are ill and unable to access your own money?

At one time the post office was non-profit. The profitable area subsidised the less profitable and the service was a SERVICE to the public.

Please help save our cash, cheques and postal services.

Mavis Gunter

Keep super or not?

This may sound like an odd question, but do we need to have our retirement savings inside a super fund once we've retired?

Context, we have a self-managed superannuation fund (SMSF) of which we are both members and trustees, with all of the attendant costs and compliance obligations. We are both currently receiving pension payments from the fund.

Tim Blandon

(There's no obligation for you to continue with super. Obviously, you would need to work out whether, with your savings no longer in super, you will need to pay income tax. Also, to avoid your fund having to be audited and lodge a tax return, you would need to wind up your fund. Ed.)

Send a letter to *THE VOICE*

THE VOICE, CPSA
Level 3, 17-21 Macquarie Street,
Parramatta NSW 2150
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.

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/

CPSA Facebook and Twitter

CPSA is very active on social media. Check out our Facebook page at facebook.com/combined.pensioners and our Twitter account @CPSANSW

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In addition to the hefty Basic Daily Care Fee, the HCP program features an income-tested care fee system. Whereas the CHSP Client Contribution Framework raises a proportion of the actual cost of services provided, the HCP program's income-tested care fee system does no such thing.

It works out how much a client is able to contribute to the overall cost of the care they receive. For example, if income-testing determines a client can contribute $2,000 a year, it doesn't matter how many units of service are provided: the client will pay $2,000, unless the overall cost is less than $2,000, in which case the client will pay the full overall cost.

This is an important difference with the CHSP Client Contribution Framework.

Full rate pensioners do not pay an income-tested care fee, but part pensioners and self-funded retirees do if their income (including any Age Pension) exceeds $31,140 a year (for singles).

In the case where this income is, say, $32,000, they could be up for an annual income-tested care fee of $6,341 (annual cap) on top of the annual minimum basic daily care fee amount of $3,971. That's a total of $10,312 a year for a person with an income just short of around $22,000 after paying for home care.

The HCP program's income-tested care fee is also subject to a lifetime cap of $76,097, which means that pensioners paying the annual income-tested fee cap of $6,341, will be paying that for roughly twelve years.

If you receive home care, you first of all need to find out whether you receive it under the CHSP or the HCP program. Things will change on 1 July 2024 if you are under the CHSP.

Your CHSP provider has not yet been informed of how personal contributions will work under the new IHAC program. Some may not even have realised that your personal contributions are most likely to go up significantly.

But they should be able to give you an indication of what charges you would be paying if you were under the HCP program now.

That's your best guide as to what might happen from 1 July 2024.

If you are concerned about your personal contributions going up, you should contact your local federal Member of Parliament to express your concern. Tell them you want to know what's going to happen from 1 July 2024 with your personal contributions.

Meetings of CPSA's Foveaux Street Branch

Mara Tudorin, President of the 'Foveaux Street' CPSA Branch, is convening branch meetings during 2023 (28 April, 30 June, 27 October, 8 November).

The 'Foveaux Street' branch meetings are organised to discuss issues and policy relating to ageing and older people. The 'Foveaux Street' branch can submit policy motions to CPSA's annual conference.

The 'Foveaux Street' meetings are for all CPSA members, that is, whether you belong to another CPSA branch or are a member without branch affiliation.

Meetings will be held at the offices of the Public Service Association, 160 Clarence Street, Sydney. Contact Mara Tudorin on 0422 075 366 or email carrabiniere@optusnet.com.au to register your interest.

Crossword by Luke Koller

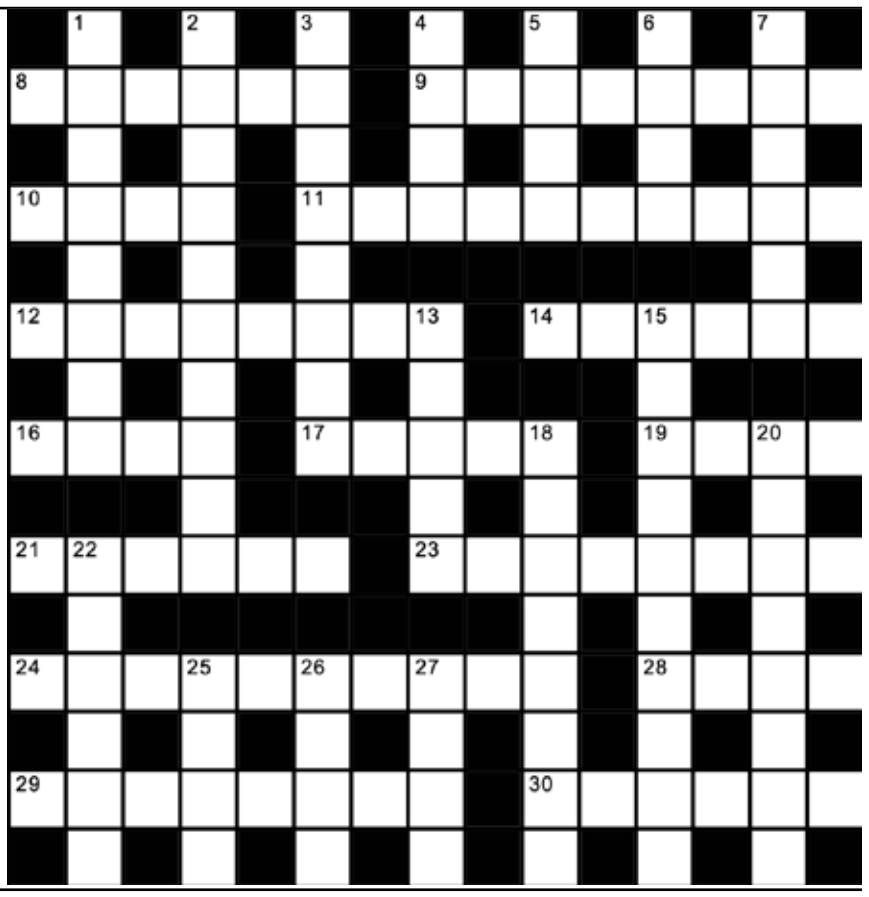
Across

8 A line to which something is attached
9 Watches attentively
10 A list of dishes
11 Three pennies
12 Garden of trees
14 A word puzzle
16 A professional cook
17 Decorate
19 Disappear gradually
21 Cooked in hot water
23 Drink made form lemons
24 Air
28 Fit snugly into
29 Clapping
30 Worn away

Down

1 A search for knowledge
2 Considerate of the feelings of others
3 A basis for comparison
4 A period of time
5 Small island
6 Woody plant
7 Used for drawing
13 Small chair
15 Explanation of a meaning
18 Counted
20 Subtracted
22 Two or more octopus
25 Solely
26 Stone fruit
27 Always

Solution on back page



What can older Australians expect on Budget night?

IT'S that time of the year again, but it seems this month's federal Budget was perhaps creeping up on the federal Treasurer, Jim Chalmers.

When asked what would happen to the deeming rates for the Age Pension assets test, he did not seem aware, or had forgotten, that his government had announced they would be frozen until 1 July 2024.

He told the Australian Financial Review that the Government had yet to decide on whether to lift deeming rates in the upcoming federal budget. The next day, a spokesman corrected this and said that the Government had "no plans to increase the deeming rate", adding that the "Albanese Government has given pensioners certainty by freezing deeming rates for two years".

Once we get to 1 July 2024 though, it is likely that the deeming rates will go up. The higher deeming rate is 2.25 per cent now, while the Reserve Bank's cash rate target is 3.6 per cent. As the Treasurer said, deeming rates "should broadly reflect movements in the cash rate".

Superannuation

On the topic of super, the Treasurer said that the new tax related to superannuation member balances over $3 million would be the only thing about super in next month's Budget.

The Budget will feature a cost-of-living package. It won't involve pension bonuses or any cash hand-outs. It will be energy bill relief. The Treasurer is anxious not to do anything that will increase inflation, although energy bill relief obviously also frees up money, which would otherwise have been spent to pay for electricity and gas. Energy bill relief is therefore also inflationary, but this the Government is prepared to countenance.

VOICE readers of will recall that the Treasurer formed an Economic Inclusion Advisory Committee a while back. This Committee is an independent body made up of economists, academics and advocates. Their job is to advise Government ahead of the Annual Budget on policy settings and the effectiveness and adequacy of income support payments.

The Committee has come back with its report and recommendations and wants the base rates of JobSeeker Payment and related working age payments to be substantially increased as a first priority. Jobseeker should be increased to 90 per cent of the Age Pension. This would cost $24 billion over the four-year forward estimates period. The Committee also wants Commonwealth Rent Assistance to be substantially increased and indexation to be improved.

While the Treasurer has said no government could afford the expenditure increase to pay for raising the Jobseeker payment rate and rent assistance, the Government may not be able to totally avoid taking action.

The Economic Inclusion Advisory Committee was set up in exchange for the votes of the Senate crossbench on legislation the Government wanted to put through. Already the crossbench is becoming vocal about the Government wanting to ignore the recommendations of the committee.

This will play out in an environment where the Government knows the cost of delivering aged care will rise by 23 per cent, increasing from $24.8 billion to an estimated $29.6 billion annually. This does not take into consideration the pay rise for aged care workers, which will cost another $1.9 billion per year. Meanwhile, the Government has vowed to push ahead with the Stage 3 income tax cuts.

It looks as though people on Jobseeker are once again going to miss out when the music stops. Among those people are two groups that really need a substantial increase. Many people with disabilities are put on Jobseeker when in reality they should be on the Disability Support Pension.

Then there are the over-55s who are trying to survive long-term on what's meant to be a short-term benefit.

Here's a Budget assets test nasty for pensioners

FOR almost twenty-five years the federal Government has been running Budget deficits. That means the Government was borrowing to pay for programs it was running, like aged care and the Age Pension.

The Grattan Institute, a thinktank independent from government, has come up with a report, *Back in Black?*, in which it proposes a long list of measures for the federal Budget to achieve getting back in the black.

The report makes the point that increased Government spending has not been matched by additional revenue raising. When that happens, there are three things governments can do. They can spend less. They can increase taxes. Or they can do both.

Official estimates suggest the long-term annual deficit is about 2 per cent of Gross Domestic Product, or almost $50 billion each year in today's dollars.

"But", says the report, "using more realistic estimates of spending – including in defence, health, and support for the vulnerable – suggests a figure of more than $70 billion a year in today's dollars by the end of the decade."

Continuing to borrow means we're asking younger generations to pay for what we consume. And that's unfair.

While the report says there are "no easy solutions", it proposes "a menu of 'least bad' options to reduce spending and boost revenue without hurting economic growth".

One of those 'least bad' options concerns the Age Pension. It's the old (and failed) idea that home-owning pensioners should use the equity in their home (which means: get a reverse mortgage) to supplement the Age Pension. Under this least bad option, Age Pension payments for homeowners would be reduced and within five to ten years, the Budget would save $4 billion, according to the report.

The report says that 40 per cent of Age Pension payments go to people who have more than $750,000 in assets. It then proposes that everything pensioners have above $750,000 should be assets-tested. This includes the family home. The report acknowledges that the median value of a home in an Australian capital city (where most pensioners live) is $765,000.

In other words, the report says all of the equity in the family home should be assets-tested to reduce the pension payment of 40 per cent of pensioners.

The current lower assets limit of $280,000 (exempt from assets testing) would be raised to $750,000, but the full value of the family home would be included in the asset test.

So, a pensioner with as their only asset a median-priced ($765,000) family home would lose $45 ($3 for every $1,000 over the limit) out of their fortnightly pension payment. It would turn them from a full rate pensioner into a part pensioner.

And look what would happen to this pensioner if they had the audacity to have $65,000 in savings!

They would lose $240 out of their fortnightly pension payment!

This loss of income, the report says, pensioners can cover by drawing down "against the equity in their home, via the [federal Government's] Home Equity Access Scheme". This is a reverse mortgage scheme operated by the federal Government.

This is not a realistic proposition. Disregarding the fact that eligibility for a reverse mortgage through the Home Equity Access Scheme is not automatic, and that applicants may fail to qualify, there is an even bigger obstacle.

The forty per cent of pensioners to which the report refers represents roughly 800,000 people. Let's assume that these people are all partnered and all homeowners. That's 400,000 homeowning pensioner households.

The number of households currently participating in the Home Equity Access Scheme stands at somewhere between 6,000 and 7,000. If the Home Equity Release Scheme would be called upon by an additional 400,000 households, it would increase the value of the federal Government's mortgage book by more than $75 billion, with all the unacceptable risks that that would entail.

What this report also ignores is that any reverse mortgage, government-provided or commercial, will only give the borrower access to a maximum 25 per cent of their home equity, or just $191,000 to the owner-occupier of median priced home in a capital city.

Accessing a quarter of home equity in this way means three-quarters of home equity is available for compound interest. If a pensioner starts drawing down on their home equity from pension age, they will never be able to sell up and buy elsewhere. Should they have to go into a nursing home towards the end of their retirement, there will be little or no money to pay for an accommodation bond.

These are all good reasons why no government will ever implement this proposal.

You can sleep easy.

CONFERENCE & AGM 2023

ALL CPSA MEMBERS ARE WELCOME TO ATTEND

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In line with CPSA's constitution, Branches and Affiliates should meet and appoint their Association General Meeting Delegates and give notice of the persons so appointed to CPSA Head Office prior to the Conference and AGM. Members who are appointed as Delegates are welcome to attend as Observers. Delegates are entitled to vote and speak at Conference and the AGM but Observers are not entitled to vote and speak at an AGM.

To ensure adequate notice is given to the caterers as well as NSW Transport for the booking of rail warrants, and to also ensure that attendees receive their meeting papers at least three weeks prior to the AGM, Delegates and Observers are requested to be registered by Friday 22 September.

The rise of digital payments

IT is no secret that digital payments are becoming more widespread. The average Australian made more than double the amount of electronic transactions in 2021-22 compared to 2011-12.

But while some of this increase may be due to personal preference, some of it is also due to banks making it harder to pay any other way.

Between 2017 and 2022 the number of bank branches across Australia has fallen from 5,694 to 4,014 and the number of ATMs has dropped from 13,814 to 6,412.

At the same time the RBA has said it is working with stakeholders to "support the further transition away from cheques".

It is important to realise that the RBA is not assisting in getting rid of cash. Access to cash is becoming more difficult. Free bank ATMs are disappearing, and fee-for-withdrawal ATMs are becoming more common, but this is not overseen by the RBA.

Without access to cash and cheques as alternative forms of payments it makes sense that more people are using digital payments.

But for many people out there, swapping to digital payments isn't an option.

In CPSA branches, as with other small community organisations, cheques are used as the main form of payment. Any spending decisions are decided at branch meetings and two assigned members are then required to sign off on any cheque before it is paid.

Without access to cheques, either because they are being phased out or because there is no way to cash them, branch members will be required to use online banking. This becomes an issue if no one in the group is familiar or comfortable with online banking.

Another issue is that CPSA members make cash payments such as membership fees, payment for branch activities like bus trips and raffles or gold coin donations with cash or sometimes cheques. With limited access to cash, people's ability to participate in social and community groups is hindered, impacting their overall wellbeing. In CPSA branches, these payments are never made electronically. If there is no bank nearby to allow these payments to be made by cash or cheque, they simply do not happen.

It is vital that face-to-face banking services remain available for anyone who is unable to use online banking or would simply prefer to use physical payment methods rather than cards.

Flu-complacency at dangerous levels in Australia

ACCORDING to the latest data from the Department of Health, there have been almost 14,500 confirmed cases of the flu already at the end of March. In 2022, this volume of confirmed cases wasn't seen until early May.

Influenza Attitudinal Index

The Australian Attitudes to Influenza Index suggests that Australians are underestimating the seriousness of flu. The index is an initiative of CSL. CSL is one of the largest influenza vaccine providers in the world. It therefore has an interest in people taking flu seriously.

The index asked 1,017 adults about their attitudes to flu. The results showed that 33 per cent of adults say that flu is only 'somewhat serious'. This means these respondents think that it can get people very sick and put them in hospital, but that they cannot die from it.

A further 14 per cent thought flu is not very, or not at all, serious.

That's almost half of all people surveyed who had completely wrong ideas about the flu.

Younger people are less likely to take flu seriously than older people. Only 20 per cent in the age group 18 to 24 think you can die from flu. For people over-65, that percentage is 60 per cent.

The research also gave insight into Australian attitudes towards flu vaccination, with 58 per cent of Australians unaware of what prevention options are available.

Professor Robert Booy, leading paediatrician and infectious disease expert, says the survey results are concerning given that flu circulation is returning to pre-pandemic levels.

"People need to remember that we've had some bad flu seasons in Australia, with modelling data

from 2010-2019 estimating that we averaged nearly 2,800 annual deaths related to flu, with more than 6,400 estimated deaths in 2017 and over 5,200 in 2019", he said.

"We're already seeing higher rates of influenza compared to this time last year. It is almost impossible to predict when the flu season will peak, so it's important to talk to your GP or pharmacist now about your choices for prevention. It's also important to maintain regular hand washing, staying at home if you're feeling unwell, and coughing or sneezing into your elbow if you don't have a tissue to help minimise the spread of flu."

Dr Zac Turner is a GP with a focus on preventative health. He is part of a campaign to raise awareness of the disease. He's urging all Australians to stay vigilant about the flu and to talk to their GP or pharmacist about the best ways to protect themselves.

"In my experience, there is a lack of awareness around the potential severity of flu, and the difference between the flu and a common cold. While many people have fairly mild flu symptoms, for some it can be a very serious disease", he said.

"Every year, hospitals receive more admissions for flu than they should as the severity of this disease is largely preventable. Even those who don't get significant complications, can still experience symptoms lasting up to a week. This means people may miss out on work, social events, holidays and other commitments."

"I strongly encourage Australians to talk to their doctor or pharmacist about flu and their prevention options, including vaccination, which can help people understand which option is right for them. Having this conversation will help people understand the best way to protect themselves and others in their family or community."

Flu vaccinations are available in most pharmacies now. Don't jag the jab!

Australia lags developed world on heart disease scanning

THE Australian reports that cardiologists are calling for new national guidelines on cardiovascular disease to recommend the widespread adoption of a test known as a CT scan calcium score.

Calcium scoring uses a CT scan of the heart to see how much calcium is visible in the walls of the arteries.

Some people not deemed at risk by current assessment measures may have plaque and already have heart disease. Calcium scoring can pick that up.

Coronary artery calcium scoring is not covered by Medicare. The cost of the test is therefore an out-of-pocket expense. The average cost is around $200.

Melbourne cardiologists Brett Forge and Richard Harper brought national attention to coronary artery calcium scoring following the death of Shane Warne of a sudden and unexpected heart attack. They said such sudden heart attacks were largely preventable if CT scanning was used.

Coronary heart disease is Australia's number-one killer, taking fifty lives every day.

Dr Forge said some researchers had estimated Australia's current risk assessment guidelines miss 45 per cent of people who are going to have a heart attack. Others deemed at risk may have recorded a zero-calcium score and were therefore unnecessarily taking medications.

"Most other OECD countries have moved in the direction of these tests and this risk assessment process," said one prominent cardiologist, Professor Marwick. "I don't know of any place that has been so slow adopting this as we have.

"The reality is we are under-treating at the moment. We have a primary prevention system that's not working effectively."

Victor Chang Cardiac Research Institute executive director Jason Kovacic said Australia currently did a "below average" job on screening.

"I think CT screening is something we definitely do need to seriously consider bringing into our guidelines and funding models."

National guidelines on absolute cardiovascular disease risk date from 2012 and are currently being updated. The Heart Foundation of Australia, which publishes the guidelines, says risk will be better calibrated and the new guidelines would "bring Australia to the forefront of heart disease prevention globally".

"There is indeed a role for calcium scoring in risk prevention, and we are pleased to say that calcium scoring is being strongly considered in the new Guideline," said the foundation's chief medical adviser Garry Jennings. "I think everyone in the field would agree that coronary calcium scoring has got a role to play," said the foundation's chief medical adviser Garry Jennings. "But it's got to be used appropriately. It's got to be used in the right group."

The new guideline is due to launch in June. Once it is in place, it's over to the Minister for Health to ensure coronary calcium scoring is covered by Medicare.

Would you sell to sign a forever-lease on a built-to-rent home?

SO often you hear that older people are asset-rich but income-poor. What this means is that they own and occupy a house which is worth a lot of money.

The only way to free up that money and use it to live on is to take out a reverse mortgage. This can be a commercial mortgage or the federal Government's Home Equity Release Scheme.

The problem is (or can be) that this will only ever give you access to a maximum of 25 per cent of the value of your home. The rest is effectively set aside to pay compound interest.

You could just sell your home, but where would you then live? Renting isn't an option really. Rents go up and down. You might be outbid and not find anything decent. But most importantly of all, there are no secure leases. You might be evicted a lot and have to move all the time.

Fortunately, there are increasing signs things might be changing for the better.

The change is called Built-to-Rent housing, and it is new to Australia.

Built-to-rent housing is when a developer builds an apartment block, but instead of selling off the units individually, the developer keeps the property to rent out all the apartments on secure leases.

And yes, built-to-rent typically means apartments.

This type of housing is common in the UK and other European countries, as well as in the US and Canada.

In those countries it is not uncommon to find older people living in built-to-rent housing. They have owned their own home for most of their adult life. Then they sold up and banked the proceeds.

Obviously, if you do something like this, you need to make sure you have enough to see you through until you pass.

The advantages are equally obvious.

All of sudden, you have plenty of money in the bank. Depending on your financial circumstances, you can now supplement your income and afford to buy groceries that were too expensive before. You can now do things you want to do but couldn't afford.

On the downside, depending on what you got for your house, your Age Pension payment may be reduced. However, as you use your savings, your Age Payment will increase again.

An Ernst & Young report released this month claims that 150,000 built-to-rent apartments could come onto the market in the next ten years.

But the report says changes are needed in how built-to-rent schemes are taxed in Australia.

Built-to-rent schemes are currently favoured by overseas investors, who know they work and are a good investment.

So typically, built-to-rent schemes attract a 30 per cent withholding tax on profits. Profits on commercial buildings, such as office towers are taxed at 15 per cent.

The Ernst & Young report says that the withholding tax on built-to-rent profits should also be 15 per cent. Then, an average of 15,000 apartments a year over the next ten years would be possible.

Without this tax break, it is estimated that between now and 2026 there will only be 3,000 or so built-to-rent apartment completions in Australia.

In its unsuccessful election campaign for the 2019 federal election, the Australian Labor Party committed to halving the withholding tax rate for built-to-rent schemes to 15 per cent.

However, a 2022 Productivity Commission rejected the idea, saying governments should not try to tip the scales in favour of institutional investment.

While most agree built-to-rent schemes could play a major role in easing housing supply pressures in Australia, some are not so sure.

Speaking to the ABC, Sydney University economist Dr Cameron Murray is not convinced that built-to-rent tax breaks would benefit the average Aussie.

"Existing built-to-rent projects are predominantly high-end luxury apartments, and the owners of them report to investors how successful they are at charging more than the local market rent by bundling in premium features like fancy gyms, food services. Is this something that we should be providing subsidies to?", Dr Murray said.

The Australian Housing and Urban Research Institute's Professor Hal Pawson told the Australian Financial Review that built-to-rent is "sometimes oversold".

"Claiming that it's going to solve the affordable housing problem that everybody knows Australia has, is hype."

"Built-to-rent units are typically targeted towards moderate- to high-income households and rented out at market rates, so it doesn't directly contribute to the supply of affordable housing," Professor Pawson said.

Given that the Australian built-to-rent market is geared towards wealthier people, it may not be an option for people who want to free up the equity in their home to improve their standard of living.

However, the bigger built-to-rent becomes it may extend into the affordable housing market in the future.

In that case, built-to-rent could become a common way of accessing housing wealth to improve retirement living standards.

Donations

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

Kiran Paramatmuni	$50
May Steilberg	$100

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

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

Find the help you need with
myagedcare
1800 200 422
www.myagedcare.gov.au

Carer Gateway
Emotional, practical and financial support for carers
1800 422 737

NSW Ageing and Disability Abuse Helpline
NSW
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

ndis
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
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 R		2 T		3 C		4 H		5 I		6 T		7 P	
8 T	E	T	H	E	R		9 O	B	S	E	R	V	E	S
	S		O		I		U		L		E		N	
10 M	E	N	U		11 T	H	R	E	E	P	E	N	C	E
	A		G		E								I	
12 O	R	C	H	A	R	D	13 S		14 R	I	15 D	D	L	E
	C		T		I		T				E			
16 C	H	E	F		17 A	D	O	R	18 N		19 F	A	20 D	E
			U				O		U		I		E	
21 B	22 O	I	L	E	D		23 L	E	M	O	N	A	D	E
	C								B		I		U	
24 A	T	M	25 O	S	26 P	H	27 E	R	E		28 T	U	C	K
	O		N		L		V		R		I		T	
29 A	P	P	L	A	U	S	E		30 E	R	O	D	E	D
	I		Y		M		R		D		N		D	