CPSA
COMBINED PENSIONERS & SUPERANNUANTS ASSOCIATION OF NSW INC

THE VOICE

OF PENSIONERS AND SUPERANNUANTS

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SPEAKING OUT FOR PENSIONERS SINCE 1931

RESERVE BANK SUGGESTS CASH MIGHT COME AT A COST

THE Reserve Bank of Australia (RBA) deputy governor has said that a drop in cash transactions is putting pressure on the system. As a result, the cost of keeping bank notes in circulation is going up.

Between 2010 and now, cash payments have dropped off rapidly and are now estimated to make up only 13% of transactions. Most 'high cash users' are over 65.

The RBA has said that it remains committed to ensuring cash isn't going anywhere, but businesses can choose what transaction methods they offer to customers.

The RBA deputy governor also said that changes to the system may be needed to ensure that cash stays around. One idea is that banks might consider combining their cash distribution services to save on costs.

Another idea is that people who use cash might have to pay a premium. So, cheques are on the way out, most digital and card transactions have a fee, and now it might cost extra to use cash? How did we get here?

During the peak of the COVID-19 pandemic many businesses went cash-free. In the aftermath, some haven't gone back.

Many CPSA members feel that businesses selling essential items should be required to accept cash. Some believe that all businesses should have to accept any legal tender.

Unfortunately, the cost of producing, transporting, and processing cash only becomes higher as its use becomes less frequent.

There are less ATMs and bank branches, meaning that we are paying more and travelling further to access our money. Regional areas have been especially impacted by bank branch closures.

According to the Australian Prudential Regulation Authority (APRA) there are less than half the number of fee-free ATMs than there were only a few years ago.

For some, this is a big problem that goes beyond consumer choice – and the people who are impacted most are people on a low income, people with disability, and older people.

Other people who might struggle to cope without access to cash are those experiencing domestic violence, who might put aside cash to escape financial control.

What happens if there is a system outage or natural disaster? Or to people who simply do not trust digital payment systems and are cautious about their privacy? It's much harder to get scammed out of cold, hard cash.

People who rely on others to make purchases for them may not wish to give their card and PIN over to someone else. Without cash, it becomes harder to give pocket money and teach young people how to budget.

Cash makes it possible to spend money sensibly in contrast to the far-too-easy method of tapping a card or purchasing with just a click. It also makes it easier to give people sleeping rough a couple of dollars that might mean the difference between eating dinner or not.

Many of us want and need the security of cash, and it is not enough to say that cash will remain in circulation – it needs to be accessible.

CPSA Letters

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Anne-Marie Kestle
CPSA Assistant Treasurer

Victor Borg

Marolga (Mara) Tudorin

Megan Lee
General Manager

THE VOICE
OF PENSIONERS AND SUPERANNUANTS

Phone: 1800 451 488
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

Cost of living cuts pensioners deep

My wife and I have both recently joined CPSA and are amazed that we had not been aware of the organisation prior to this. I am particularly pleased because I had thought that most of the time I was fighting many battles on my own, not knowing that CPSA was also involved. One such battle was quite recent when I decided to do a comparison between 2017 and 2023 for some of our major personal expenses. Over those 6 years, the following percentage increases occurred:

- Private Health (Medibank Private) - 34.2%
- Car Insurance (QBE best priced company) - 51.32%
- Home & Contents Insurance (as above) - 36.38%
- Local Council Rates - 85.7%

On the latter, we receive the $250 pensioner rebate but in 2017 this rebate represented a 24.8% discount on our rates, however in 2023 the $250 only represented a 13.3% discount. Of interest is that the NSW Government also scrapped the Seniors Regional Travel Card.

I predict that when the NSW Budget figures show an improvement, the ministers will take the credit and not explain that the improvement was as a result of cuts to pensioners and lower income NSW residents.

John Staker

Cashless society lacks value

YOUR article titled 'Reserve Bank Suggests Cash Might Come at a Cost' [published online in January] is an excellent article and I wholeheartedly agree with your analysis. Being in my late 60s I depend on cash and our kids need to understand money. Using cards is not tangible - doesn't teach them the value of money. Our governments must make it possible to use any form of legal tender.

Nadia

Ratepayers ready to revolt

AS you would be aware, local Councils have been corporatised for many years now. Many inherited Shires where little to no funds were expended on infrastructure in the past. No implied criticism as we are talking about massive expense - e.g. flood mitigation, etc. Their corporate priorities in the main are not those of their taxpaying constituents but appear to be increasingly dictated by State governments along with diminishing individual influence.

Helen Ducker

CPSA COMBINED PENSIONERS & SUPERANNUANTS ASSOCIATION

Donations, Bequests, Membership and THE VOICE subscriptions

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 I 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.
- ☐ Please send me information about my nearest Branch.
- ☐ I do not wish to join CPSA but would like to subscribe to THE VOICE (1 year—$32.00 incl. GST).
- ☐ I belong to an organisation and would like information about how we can become a Branch or an Affiliate of CPSA. (NB: Branches are covered by CPSA's $20 million Public Liability Insurance.)
- ☐ Please add a $5 / other: ____ donation to my membership so I can be a CPSA supporter. (All donations above $2 are tax deductible.)
- ☐ Please send me information about making a bequest to CPSA in my will.
- ☐ Yes, I agree to CPSA using my mobile number to send me information and other Member communication.
- ☐ Yes, I agree to CPSA using my email address to send me information and other Member communication.

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

CPSA News

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 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 2022/23 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 Funding

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Donations

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

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Donald Brooks	$85
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Jack Kestle	$50
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Stuart Carter	$35
Rod McFadyen	$50
Pat Jessop	$35
Hilary Healing	$40
Ross McKinney	$35
Gunnedah CPSA	$1000

Bequest

A bequest from the late Marie Lavis $500"

10 Questions to ask about residential aged care

10 QUESTIONS is a series of leaflets about aged care written by nurses, doctors and experts with experience in aged care. Each leaflet focuses on an individual aspect of care to increase consumer knowledge and make the journey into residential aged care easier.

A new 10 QUESTIONS leaflet has just been published about Additional Charges in residential aged care. Additional Charges are for the little luxuries and extras while people are in care.

There are further leaflets dealing with a variety of topics, from nursing home contracts, staffing, palliative care to LGBTI, dental care and mental health.

A must for anyone looking for a place on residential aged care.

All leaflets are online, 10questions.org.au. For those without a computer or printer, ring CPSA on 1800 451 488 and we will send out copies to you.

HAVE YOUR SAY ABOUT BUSES IN YOUR LOCAL AREA

DO you catch the bus to get around? If so, do you have something to say about your experience?

The NSW Government has created a Bus Industry Taskforce that will make recommendations to improve the reliability and quality of bus services across NSW.

You can let the NSW Government know what you think by filling in an online survey that asks questions about bus routes in your local area. This includes questions about what works, what doesn't work, and your ideas to fix things up. The survey will be open until 31 March 2024.

If there is more that you'd like to say, you can also make a submission that goes into more detail. This can be written it as a letter, though you will have to submit it online.

If you would like more information or some help you can call CPSA on 1800 451 488. We can fill out the survey for you over the phone or provide other support if needed. We will make sure you get a chance to have your say.

You can find the survey or make a submission to the Bus Industry Taskforce at transport.nsw.gov.au before 31 March.

CPSA News

Iron deficiency: Hard to spot but easy to fix

ARE you feeling tired all the time? Suffer from dizziness and mental fog a lot? It may be that your body has an iron deficiency.

Iron deficiency can significantly impact physical and mental capacity. In short, it can make your life a misery.

Also known as anemia, iron deficiency is a common condition both in Australia and around the world, affecting over 1.5 billion people worldwide. It is particularly prevalent in certain population groups: in Australia around 12 per cent of women, and 20 per cent of people over 85 years are anemic.

The good news is that iron deficiency can generally be fixed. The trick is to go and have a simple test done as part of an overall routine check-up.

To help diagnose iron-deficiency, your doctor can order a complete blood count (CBC) test.

It's not just used to diagnose whether the iron levels in your blood are adequate. It is also used to screen for other illnesses, including infections and leukemia.

The test extracts a large amount of information from the blood sample you've given, including the number of red blood cells (RBCs), which carry oxygen throughout the body. Too few RBCs may be a sign of anemia or other diseases.

Testing also checks your hemoglobin, which carries oxygen from the lungs to the rest of the body. Abnormalities can be a sign of anemia.

Often iron deficiency is only addressed when anemia has developed. By recognising the signs early and speaking to your GP, problems can be nipped in the bud.

Unfortunately, iron deficiency remains overlooked by patients and healthcare professionals as symptoms are sometimes poorly understood.

A recent survey asked more than a thousand Australian adults about their understanding of iron deficiency. Responses show that, while many Australians have heard of iron deficiency, a significant majority are unaware of what symptoms they should be looking out for.

Did you know that unusual food cravings such as chewing or eating ice is a symptom? So is low libido.

All up, only 1 per cent of people were aware of all the common iron deficiency symptoms, which are tiredness, shortness of breath, chest pain, fatigue, dizziness or light-headedness, cold hands and feet, and pale skin.

It is also always a good idea to help the body keep iron levels where they need to be by maintaining a healthy diet that includes iron and vitamin C.

Good sources of iron include beans, dried fruits, eggs, lean red meat, salmon, iron-fortified breads and cereals, peas, tofu, and dark green leafy vegetables.

Vitamin C-rich foods such as oranges, strawberries, and tomatoes help your body absorb iron.

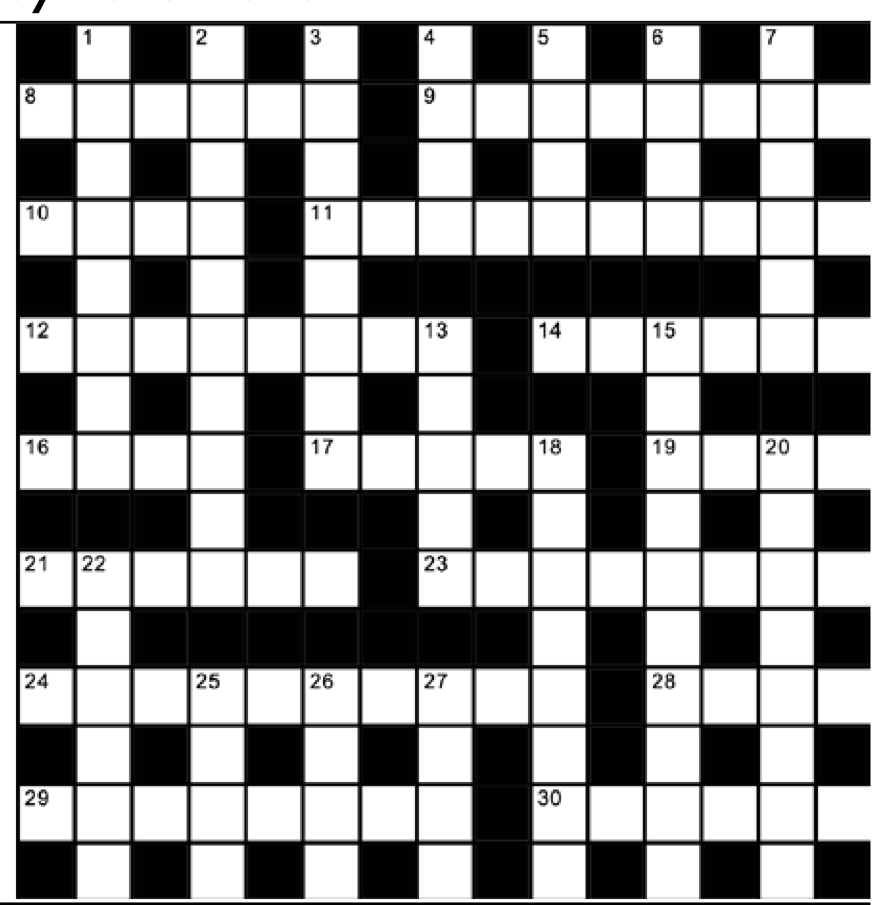
The recommended daily iron intake for people over 50 is 8 milligrams.

Crossword by Luke Koller

Across
8 Grow by addition
9 An arithmetic operation
10 A go - _ _ _ _ (4)
11 A swimming stroke
12 A large land mass
14 Fair hair
16 Small island
17 A quilt
19 An attendant at official functions
21 Garage petrol pump
23 Delphinium
24 Enhancing well-being
28 Dancers costume
29 Round red root vegetable
30 Worn away

Down
1 Eight-sided polygons
2 Imposters
3 Used when typing
4 Powder
5 Make an addition
6 Celestial body
7 Not raw
13 Used in a navy
15 The action of opposing something
18 A suspenseful story
20 A glove of armoured leather
22 Unsealed
25 Take in solid food
26 Metal that rusts
27 The 9th letter of the Greek alphabet

Solution on back page



CPSA News

CPSA calls for a pensioner council rate rebate inquiry

IF you are a homeowner in NSW who has been receiving a pension for some time, you will know that the pensioner council rate rebate of $250 a year is getting smaller and smaller in proportion to actual council rates. The same goes for the annual $87.50 water and sewerage rebates.

These rebates are legislated in the NSW Local Government Act 1993, which commenced on 1 July 1993, just over thirty years ago. Back then, the council rate rebate was set at 50 per cent, up to a maximum of $250 per household per annum.

Clearly, the intention was to give rate relief to pensioners in council areas where rates were comparatively low. Rates under $500 were linked to comparatively low land values, which meant owner-occupiers tended to be nowhere near well-off. Those owner-occupiers would receive a full 50 per cent discount.

However, with rates under or at $500 a year now nearly non-existent, you could say that the NSW pensioner council rate rebate is a flagrant example of bracket creep.

The earliest information about historical council rates CPSA could find by open source research were those for 2008/2009. The median rate in NSW back then was $637 a year. The maximum $250 rate rebate represented a discount of 39 per cent.

In 2023, the average council rate is around $1,050. Rates in greater Sydney, the South Coast, Central Coast, Newcastle and the North Coast start at $1,250 and in many cases exceed $1,500 a year.

Based on these figures, the rebate's value has dropped from 39 per cent in 2008/2009 to between 17 and 24 per cent. In other words, the real value of the council rate rebate has been eroded over the last fifteen years.

Increasing the annual council rate rebate from $250 to $525 would boost the rebate up to 50 per cent of the median rate, but that is extremely unlikely to happen.

It may therefore be more relevant to look at what the proportion of the council rate is to the basic pension. Between 1993 and 2009 the average rate-to-basic pension ratio declined from 3 per cent to 2.8 per cent, even though council rates went up. That's good news. It meant that indexation of the pension was such that pensioners weren't paying more in rates as a percentage of the pension.

But the concerning trend is that the rate-to-pension ratio rose to 3.8 per cent between 2009 and 2023. That represents a 37 per cent increase in what pensioners paid out of their basic pension.

This shows that pensioner purchase power is declining due to CPI-plus increases in council rates. These declines are not being compensated to the full extent by the March and September pension indexations.

CPSA is concerned that the trend of council rates rising by more than CPI is already putting pensioner income under pressure, and that this trend will continue and rises will become even more steep once the Independent Regulator and Pricing Tribunal (IPART) starts using its new rate peg methodology.

In some areas, rates are expected to increase by more than 50% over the next few years – in Strathfield, rates will nearly double.

CPSA has similar concerns about the discount limits of water supply and sewerage special rates or charges, which are not to exceed $87.50 a year.

CPSA has written to the NSW Minister for Local Government asking for an investigation into the adequacy of the pensioner council rate rebate, as well as water and sewerage rebates.

Find-A-Word by Luke Koller

S	U	R	I	N	A	M	E	N	E	P	A	L	J	Z
C	T	J	I	N	I	A	Z	O	M	A	N	G	A	A
L	I	N	I	E	H	N	V	C	K	E	S	N	M	M
F	E	A	N	X	A	X	D	Q	L	E	X	A	A	B
B	P	U	C	H	I	N	A	I	L	L	N	I	I	I
S	R	L	S	K	T	R	H	A	A	A	I	Y	C	A
B	V	T	E	P	I	C	W	P	P	C	U	B	A	O
E	S	O	Y	E	M	E	N	T	P	O	N	K	Y	R
L	W	G	C	H	A	D	D	T	H	E	M	C	E	A
I	E	O	H	L	L	Q	A	T	A	R	R	G	S	R
Z	D	N	E	A	I	E	O	O	L	I	I	U	U	M
E	E	A	L	O	N	S	N	B	T	N	W	Y	D	E
H	N	U	L	S	E	A	J	A	P	A	N	A	A	N
C	L	R	E	L	R	A	N	G	O	L	A	N	N	I
U	T	U	S	I	E	S	T	O	N	I	A	A	N	A

COUNTRIES

Angola	Iraq	Spain
Armenia	Jamaica	Sudan
Belize	Japan	Suriname
Benin	Kenya	Sweden
Brunei	Laos	Taiwan
Chad	Lesotho	Tobago
Chile	Libya	Togo
China	Mali	USA
Cuba	Mexico	Wales
Egypt	Nauru	Yemen
Estonia	Nepal	Zambia
Fiji	Niger	
Ghana	Oman	
Guyana	Panama	
Haiti	Peru	
India	Qatar	
Iran	Seychelles	

CPSA News

Staying safe amid summer wave of COVID-19 cases

UNSURPRISINGLY, COVID-19 case numbers don't demand the same attention as they did a few years ago, but a wave of cases driven by two new subvariants of the virus should come as a reminder that covid-safe behaviours remain as important as ever.

If you do get infected, you may be eligible to be prescribed antiviral medication by a doctor if you are: 70 years of age or older; 50-69 years of age with 1 additional risk factor for severe illness; an Indigenous person; 30 years of age or older and with 1 additional risk factor for severe illness; or 18 years of age or older and are immunocompromised.

Antivirals are most effective when taken within 5 days of infection and you need a positive PCR or rapid antigen test (RAT) to get a prescription. So, if you have symptoms or think you might have been infected, get tested as soon as possible and speak to your doctor if you test positive. You can also call Healthdirect on 1800 022 222 for advice.

NSW Health recently released its Respiratory Surveillance Report, showing that case numbers in the current wave are the highest they've been since December 2022.

Whilst the current variants appear to cause no more severe disease than previous variants, this is no reason for complacency.

After 4 years of dealing with COVID, it can sometimes feel like the disease is a known quantity. However, the potential long-term side-effects of infection – what has come to be known as 'long COVID' – are still something of a mystery.

Long COVID refers to the presence or emergence of a range of COVID-19 symptoms either 4 or 12 weeks after the initial infection (depending on which definition you choose).

According to the Department of Health and Aged Care, commonly reported symptoms can include breathlessness, dizziness, general pain, loss of taste and/or smell and psychological symptoms such as anxiety and depression, among other things.

Last year, the Australian Government released a report which found that long COVID affected 2-20% of people infected by COVID-19. Another Australian study released in September 2023 found that 10% of people surveyed had developed long COVID symptoms.

As with so many things though, these risks were not borne equally across the population. The September study found that older people, women, and people with pre-existing conditions were all overrepresented among long-COVID sufferers.

So, what can you do to reduce your risk? Well, prevention is the first step. Wear a mask, especially in densely populated areas like supermarkets or public transport. Encourage friends, family members and community members to mask up too. A study of attitudes towards masks in Australia found that 18% of respondents were more likely to wear a mask if recommended to do so by a family or friend.

If possible, avoid high risk settings like hospitals, wash your hands regularly, and socially distance where possible. If you have symptoms or suspect you might be infected you should avoid people who are at higher risk of severe illnesses until your symptoms subside.

If possible, stay at home until your symptoms are gone. If you must go out, be sure to wear a mask and socially distance to protect others. Finally, make sure you are up to date with your recommended vaccinations. To get specific advice and information about vaccines and boosters, check in with your doctor or pharmacist.

Aged Care: How a protected person protects the family home

RECENTLY, CPSA was contacted by a son whose mother had just gone into a nursing home.

He had lived with, and cared for, his mother for seven years. The house belonged to his mother. His income had come from the Carer Payment and the Carer Allowance.

After putting his career as a teacher on hold for seven years and keeping his mother out of the nursing home until her condition made living at home impossible, the son expected to be able to continue living in his mother's house.

Nothing prevented him from doing so. He met all the criteria of a so-called 'protected person' under the Aged Care Act. He was obviously a close relative eligible to receive an Australian Government income support payment on the day his mother moved into a nursing home. He had lived and cared for her in her home for longer than the required five years – seven, in fact.

But the son was worried. A sibling had been granted an Enduring Power of Attorney to administer his mother's affairs.

His question was: what if my sibling decides to sell my mother's house or make me pay rent I can't afford? I am a protected person under the Aged Care Act, but am I really?

The short answer to his question, of course, is that his sibling probably could sell their mother's house or rent it out. Nothing he or the Aged Care Act or any other law could do about it. The long answer is a bit trickier.

Nursing home care residents are means-tested. The resident's family home is included in that assessment because it is no longer needed to house the resident. It's become an investment property if you like.

But only a capped amount ($197,735.20 from 20 September 2023) is included in this means assessment. While this may only be a fraction of the home's value in many cases, it can still force the sale of the home, because just short of $198,000 in cash needs to be available to pay for, usually, a nursing home bond.

Having a protected person living in the home prevents that capped amount from being included in the means test. The home is exempt.

Back to the son who is a protected person under the Aged Care Act. His fear was that his sibling would use their Enduring Power of Attorney to sell the home or rent it out.

However, it is very unlikely that his sibling would want him to leave the home. The minute he does so, the home would be included in nursing home means testing. The capped amount of $198,000 would be diverted from the proceeds of the sale of the home, or, if rented out, the rent income would be means tested.

All this would happen in an Enduring Power of Attorney scenario, where the sibling would be required to act in the best interests of their mother. In other words, if there was any plan to use proceeds from the sale or rental to progress interests other than those of their mother, the sibling could have a legal problem.

However, if their mother were to leave her nursing home or she passes away, her son loses his protection as a protected person.

Extreme weather and rising insurance premiums leaving pensioners uninsured

LAST year, CPSA published an article saying that half of the population in high-risk areas of Northern Queensland, Northern Western Australia and the Northern Rivers region of New South Wales were paying a month of their yearly household income on their annual home insurance premiums.

1 in 8 households across the country are now paying out that amount, while at the same time, many households are uninsured or underinsured. In a submission to a federal inquiry into insurers' responses to major floods in 2022, insurance company Allianz stated that nearly three quarters of households with the highest level of flood risk do not purchase flood cover.

However, this is not all that surprising given that, by the insurer's own estimates, home and contents cover for a $500,000 house in a flood-prone area could be as high as $45,000 a year.

As extreme weather events become more and more common, more Australians are going to find themselves living in high-risk areas for flooding, bushfires, and cyclones. A recent report from the World Economic Forum has predicted that more than half a million Australian homes will be uninsurable by 2030.

This is also likely to hit low-income people hardest. In a study of Australian households conducted a few years ago, two academics from the University of Tasmania found that communities in disaster-prone areas were more likely to be disadvantaged, and that households in these communities were more likely to be uninsured.

For low-income homeowners who are already facing cost of living issues such as rising council rates and supermarket price gouging,

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insurance premiums are yet another cost that is proving unbearable for many.

There are calls for the government to step in and assist in several ways. Legislation could be introduced to force insurers to use standardised definitions of key terms like 'storm surge' and 'fire', so that customers can more easily compare plans and insurers cannot weasel out of paying out a claim.

Better land use planning would also prevent developers from building on floodplains and in other high-risk areas so that future homeowners are not left paying the price for developers' greed.

If you are struggling with rising insurance premiums, CHOICE has recently published a list of tips for choosing the right insurer. Some of their recommendations for keeping prices down include shopping around to take advantage of deals or find insurers which beat competitors' premiums, increasing your excess to reduce premiums, and bundling policies with the same insurer for a discount.

It is also important to know what you are insuring against. Because different insurers can use different definitions for key terms, it is always a good idea to ask your insurer to define their terms and keep a record of their answers.

Aged Care report suggests you want to pay more

A RECENT report from Catalyst on attitudes towards residential aged care has noted that most Australians agree: additional funding is required to improve aged care, including via increased tax and user charges.

This will be music to the ears of nursing homeowners and operators, for whom this report was produced.

Soon we will find out what the Aged Care Taskforce, which has been looking at ways of getting more money out of people using aged care, will say. Its final report is imminent, according to the Financial Review, which also says: "The Albanese government is softening up voters for increased aged care fees for those who can afford it by citing polling that claims people are eager to pay up to 40 per cent of the cost".

Apart from people's eagerness to pay more for aged care, the report found – not surprisingly - that most Australians would prefer to stay at home as long as possible, potentially supported by home care.

One in five (20 per cent) said they would not consider aged care under any circumstances. Dementia is the most likely trigger for considering a nursing home for the remaining 80 per cent.

50 per cent accepted that a nursing home may be required because of a serious medical event like a stroke. This also means 50 per cent of respondents don't accept this, again a big number.

Not surprisingly given these percentages, the report notes that aged care has significant reputational problems, although the report says: "One gentleman gave his views on the industry's conundrum: *Aged care seems to have a bad reputation. Possibly a service running smoothly is not newsworthy*".

CPSA's comment is that this gentleman would be up against the Aged Care Royal Commission's final report.

When respondents were asked to describe the pros and cons of aged care, 44 per cent of comments fell into the positive column, while 56 per cent were negative. Pessimistic views included 'expensive', 'loneliness', 'bad food', and 'boredom'.

Strong ratings were given for 'feeling of safety', 'caring staff', 'pleasant environment' and 'residents treated with respect'. Lower ratings were received for 'food quality' and 'lifestyle programs/activities'.

The report notes, but can't explain why, respondents whose family members were currently in care were significantly more positive than those whose parents used to be in care.

CPSA's (subjective) comment is that one way of getting through a difficult phase like having a partner or parent in a nursing home is to screen out negative feelings. It doesn't necessarily mean they're not there.

Overall, the report leaves you with a feeling that while Australians accept more money needs to flow into aged care, they would rather stay out of nursing homes.

In fact, 20 per cent would rather die, and 50 per cent would rather battle on at home even when clinically impossible.

It's clear that we have a long way to go to improve the reputation of residential aged care in Australia.

Are supermarkets profiting from price gouging?

ACCORDING to the 2023 Foodbank Hunger Report, cost of living was ranked as the number one concern for Australians in the past 12 months.

There has been major pressure on State and Federal Governments to introduce measures to reduce inflation and ease the strain caused by higher living expenses.

In the past year, 36% of households experienced moderate to severe food insecurity. This means that they made sacrifices in variety, quality, and quantity of food. 23% of households missed meals altogether.

Families are reporting that they are being forced to use credit products or 'buy now, pay later' schemes to put food on the table or in their kids' lunchboxes. This leads to a cycle of debt that creates a situation where it's even harder to make ends meet over time.

This year's rise in food insecurity is caused by other pressures such as the cost of housing and utilities, but a major factor is an increase in prices at the checkout.

Coles and Woolworths have blamed supply chain issues and inflation for this – yet they have both recorded massive profits that have increased since last year. How can this be?

The big two supermarkets were both recipients of a 2023 Shonky Award from consumer advocacy group CHOICE. Between them they reported a massive $2.72 billion in profit.

It's hard to fathom quite how much money that is. Keep in mind that this is net profit, the amount that is left once the cost of business is accounted for.

Whilst there's no doubt that there has been an increase in costs for supermarkets, the figure to look at is the margin of profit. If price hikes reflected rising business costs, that margin would stay the same. It has not.

In the last quarter Woolies enjoyed a very comfortable 6% margin. Overseas, where there are more grocery stores to choose from, similar chains tend to make about half that amount.

In their August profit announcement to shareholders, Woolworths stated they are doing their part to help customers save by promoting their store brand products, discounting products for customers who use their loyalty program and "encouraging customers to use up what they already have in the fridge or pantry at home". Very helpful indeed.

In a competitive market ,companies must go head-to-head for business, which tends to keep prices down as consumers have choice in where they spend their money.

Currently Woolworths has around 37% of the market and Coles is sitting at 28%. Aldi takes third place with just 9%, leaving other retailers to make do with the rest.

This is what is known as a duopoly. Two providers dominate the market and make it nearly impossible for others to get enough of a foothold to compete on prices.

This becomes even more of an issue when it comes to essential goods and services because there isn't even an option to not shop at all. Most of us are forced to go to the closest grocery store and do our best with what's on offer, particularly in regional areas.

This is the result of years of very deliberate and often mercenary tactics to price independent stores out of the market and push down wholesale prices, squeezing suppliers to offer lower prices in store.

Now that this has succeeded and the duopoly is well and truly established, where does this leave everyone else in the supply chain, including producers and consumers?

A range of organisations have come out in support of increased regulations for supermarkets, including the National Farmers Federation (NFF). The NFF want the public to know that higher prices are not putting more dollars into the pockets of farmers.

You may have heard by now that a senate inquiry into supermarket pricing has been called. The tricky thing is that price gouging is not technically illegal. The idea is that you can shop elsewhere – unfortunately, that really isn't the case for many of us.

Essentially, businesses can charge what they like if they aren't making false or misleading claims about prices, including the reason for changes in prices. They are also not allowed to engage in 'anti-competitive pricing' or to privately agree on pricing, which is very difficult to prove.

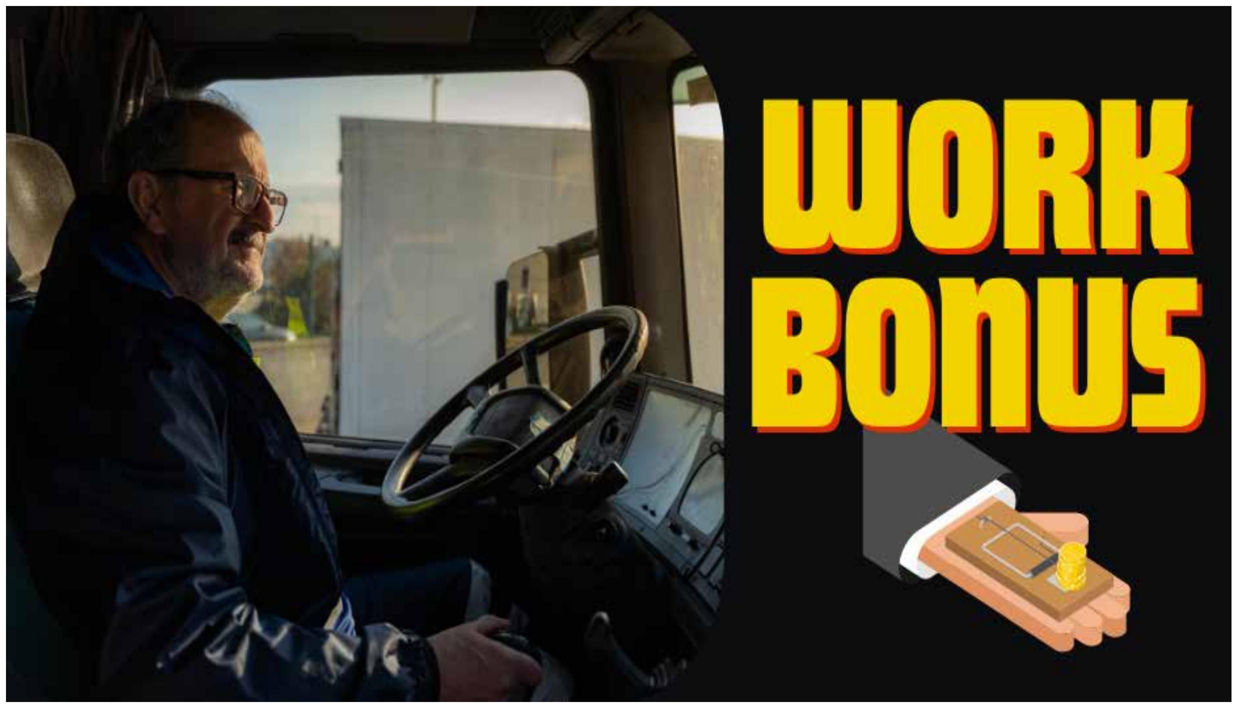
Unfortunately, the Big Two have a long history of getting away with shonky behaviour with no more than a slap on the wrist, which is what has gotten us into this mess.

As well as the senate inquiry, there is also a review of the Food and Grocery Code of Conduct underway, and an inquiry to be undertaken by the Australian Competition and Consumer Commission (ACCC). The latter is the big kahuna – the ACCC have the regulatory powers to really take a bite out of the supermarket giants.

In the meantime, it's very likely that the Big Two will be keeping an eye on prices between now and the time they will have to explain themselves to the ACCC. It would be bad business not to, which is good news for the rest of us.

CPSA has made a submission to the Senate Select Committee on Supermarket Prices and intends to engage with the Food and Grocery Code of Conduct Review as well as the ACCC inquiry into Australia's supermarket sector. Please get in touch if you would like us to help you have your say.

Work bonus 'boost' leaves boomers bummed



January 1 has come and gone. It's a new year of Work Bonus for pensioners and people over 67 who are receiving a Carer Payment. For some, this has come with disappointment.

Last year the Australian Government announced changes to the Work Bonus scheme that would permanently increase the Work Bonus 'income bank' balance to $11,800 and give new pensioners a $4,000 opening balance. Existing pensioners received a one-off $4,000 boost in 2022-23.

Unfortunately, the scheme can be difficult to understand and the news of a permanent increase to the Work Bonus income bank balance left many expecting a bit more than what they've gotten.

Namely, the income bank balance cap has been increased from $7,800 to $11,800 - but recipients can still only get $7,800 of Work Bonus in a year. If a person received a $4,000 boost previously, they won't get another one. Confused? You're not alone. Let's break it down.

Under the current income test, most single pensioners who earn up to $204 per fortnight (or $360 for couples who receive a combined pension) will not lose any of their pension. Above that limit, they lose 50 cents of their pension for every dollar earned.

If a person receives a pension and is still in the workforce, the Work Bonus means that they can earn up to $300 a fortnight (or $7,800 per year) in wages before the income test applies.

This is where a second figure comes in. Any unused portion of the fortnightly $300 Work Bonus is added to a Work Bonus 'income bank' balance. If $100 of Work Bonus is used in a fortnight, $200 would be added to the balance, and so on.

Up to $7,800 a year ($300 x 26 fortnights) can be accrued to your 'balance'. If you have a balance, it will automatically be applied to reduce assessable income - even if the extra income from wages would not be enough to affect your pension.

The income bank balance rolls over until it is used, even across years, but only up to $11,800 can be accrued. After this, up to $300 a fortnight will still be exempt from the income test, but any unused work bonus will not be added to your balance until you're back under the income bank threshold.

The Work Bonus does not apply to income from investments, it only applies to income earnt from wages. The 'income bank' balance cannot be used for anything except reducing assessable income in relation to a pension. It cannot be shared between a couple.

From 1 December 2022 to 31 December 2023, the maximum amount of Work Bonus that could be banked was increased from $7,800 to $11,800. This was to accommodate a $4,000 one-off boost that was applied to the Work Bonus 'income bank' balance of all pensioners during that period.

The plan was that the cap would return to $7,800 on 1 January 2024 - meaning that any accrued balance above that amount would be wiped. Use it or lose it.

Then it was announced in late 2023 that the increased Work Bonus income bank ceiling of $11,800 would become permanent.

As of 1 January, newly minted pensioners start with a Work Bonus balance of $4,000 instead of $0, which can be used immediately. Any unused Work Bonus will accumulate on top of that until the limit of $11,800 is reached.

Existing pensioners will retain their balance, including the $4,000 bonus that has already been received – if they haven't already used it. There will be no new bonuses forthcoming.

The rules have also changed regarding losing your pension due to receiving a regular income. Previously, if someone earned enough to reduce their pension to $0 for 6 fortnights, their pension and related concessions were suspended. This has now been doubled to 12 fortnights, which is nearly 6 months.

Of course, for those who consistently use their entire Work Bonus, the balance cap is irrelevant. This change is helpful for pensioners who are re-entering the workforce temporarily, such as those doing seasonal work, but doesn't add much value for those who work regular hours each week.

CPSA has been contacted by pensioners who are frustrated to realise that the so-called Work Bonus increase isn't an increase at all, at least not in real terms. That extra $4,000 is once-in-a-lifetime.

For many, the primary concern is that this system is difficult to navigate. Many pensioners have told us that the onerous process of reporting income and tracking it all makes it too difficult to be worth the effort.

Work Bonus has been touted as a way to increase workforce participation for older people, but unfortunately it doesn't seem to be much of an incentive.

CPSA Information Directory

INCOME SECURITY

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

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

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

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

Griefline
Phone support for coping with grief
1300 845 745

Grief Australia
1800 62 066

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
1800 628 221
(Mon-Fri 9-4)

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

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

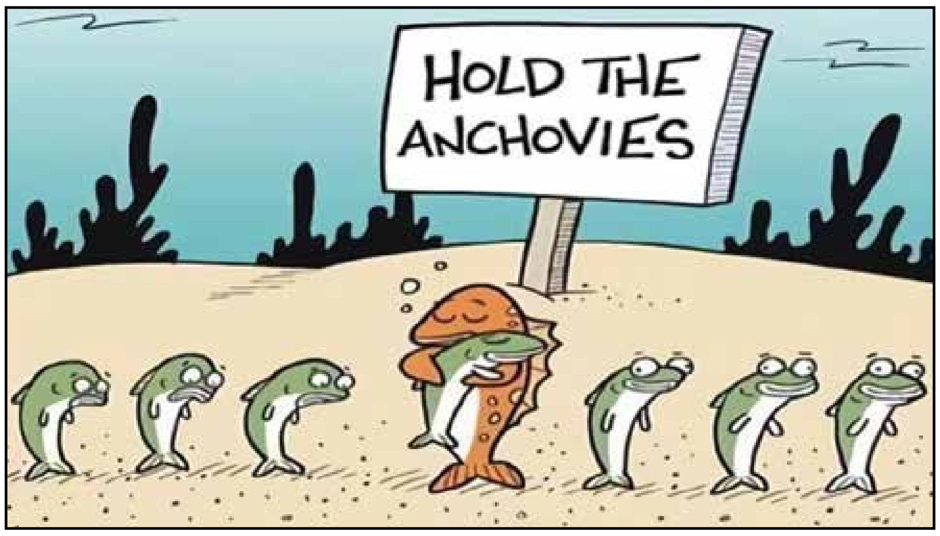
NSW Ombudsman's Office
1800 451 524

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

Find-A-Word Solution

Find-A-Word on Page 5

S	U	R	I	N	A	M	E	N	E	P	A	L	J	Z
C	T	J	I	N	I	A	Z	O	M	A	N	G	A	A
L	I	N	I	E	H	N	V	C	K	E	S	N	M	M
F	E	A	N	X	A	X	D	Q	L	E	X	A	A	B
B	P	U	C	H	I	N	A	I	L	L	N	I	I	I
S	R	L	S	K	T	R	H	A	A	A	I	Y	C	A
B	V	T	E	P	I	C	W	P	P	C	U	B	A	O
E	S	O	Y	E	M	E	N	T	P	O	N	K	Y	R
L	W	G	C	H	A	D	D	T	H	E	M	C	E	A
I	E	O	H	L	L	Q	A	T	A	R	R	G	S	R
Z	D	N	E	A	I	E	O	O	L	I	I	U	U	M
E	E	A	L	O	N	S	N	B	T	N	W	Y	D	E
H	N	U	L	S	E	A	J	A	P	A	N	A	A	N
C	L	R	E	L	R	A	N	G	O	L	A	N	N	I
U	T	U	S	I	E	S	T	O	N	I	A	A	N	A