



AUSTRALIAN PENSIONERS' VOICE INC.

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LGRS-REVIEW-26/8/2019

Local Government Rating System Review

Dear everyone on the panel.

Please acknowledge that, The above volunteers for AUSTRALIAN PENSIONERS' VOICE would like to make you aware that this is a non profit community organisation, that is made up of pensioner volunteers. The reason that this pensioners' organisation was created in 2007 was that pensioners can have a united voice in the community and to be able to communicate our concerns to politicians, whenever necessary, in this case it will be, the Council rating system review panel.

We appreciate the opportunity to be able to contribute by making a submission to the reviewing panel.

We are very much aware that members of parliament, in particular leaders and ministers, live a very busy and complex life. Accordingly, they might not realize that sometimes they leave some of the most vulnerable members of our communities, like people on minimum wages, unemployed, people on disabilities support benefit and seniors pensioners, behind.

We say this because the above mentioned people, for many decades have not been represented adequately in any levels of government, in order to be able to live a decent life. And at any time that the same people, were represented in parliament, somehow their living standards became worse.

Having said that, we would like to explain, how we come to this conclusion.

We honestly believe that today's pensioners have done much of the heavy lifting to make Australia one of the wealthiest nations in the world. Throughout their hard working lives, pensioners paid high taxes, made many sacrifices and paid for many thousands of diplomats' free education as well as free education for many thousands of politicians of the Whitlam education revolution years, of whom some stand in parliament to date. In addition, the majority of pensioners also contributed to the build up of the Trade Union Movement with their regular union fee payments. All of those contributions, seem to have been forgotten by both political parties in government, as well as the union movement.

We also have knowledge that when Council Rates Concessions, were implemented by the Federal Government, then they were much better than, what they are now. Here is a paragraph from the original -" Municipal Assistance Act 1973:" Just to let you know, that we have done our homework.

Pensioners are liable to pay rates, interest or charges, one half of an amount equal to the sum of the bill.

Our research also shows us how governments have used the systematic robbery of pensioners' benefits and services, over the years.

Example.1

1982. Council Rates were \$270.00, while Concessions were \$135.00 = to 50% of the bill.

Assistance was down-sized to 50% of an Average house Value: "NOT AN AMOUNT" EQUAL TO THE SUM"

Example 2

From 1982 to 2015: Rates have gone up from, \$270.00 to \$1.832 - they have gone up almost 7 times in 34 years, while concession rebates for pensioners and other Concession Card Holders, have gone up from \$135.00 to \$213.00, only \$78.00 in the same time span.

Example 3

There were no increases on concessions for 21 years. Then in 2004, concessions increased miserably in very small change. In fact, in 2015/16 concessions stood stagnated, at \$213.00 - Concessions in 2018/19. Stands at 229.40

Example 4

In 34 years, concession rebates have gone down; from 50% to 11.5%. Australian Pensioners' Voice calls this outcome, negligence towards pensioners, from all levels of governments.

In addition, Local Governments, for many decades, have increased Rates on average above - 6.5% - every year, at least for the last 30 years. This is 3 times more than inflation rate!

Example 5.

Health insurance Rebate, People that can afford health insurance, to care for themselves and their family, usual receive a rebate on - 30% - when they lodge the tax return. Instead pensioners that do not earn enough to lodge a tax return. But some pensioners would like to have health Insurance, because they like to be cared for when they are sick. Even if they are going to miss out on other necessity of life. Do not get a 30% rebate.

These arrangements, does not give a fair go for pensioners! - Australian Pensioners' voice, Would appreciate if you think about this miserable fact and consider, giving the pensioners, at least 50% Rebate, to pensioners in need, if they choose to buy health insurance. This policy eventually, would eliminate some hardship within the senior community as well as shorten their waiting time to be cared for, at our Public Hospitals.

Example 6.

The example below, illustrates very clearly a comparison, between people that are well off and people that find it very hard to make ends meet. Also illustrates that the system is always in favor of richer people. This is a big issue that should be addressed in parliament, not only at the State level, but in Federal Parliament as well, because unfairness, discrimination and conflict of interest does not belong in our democratic system.

This research was conducted in 2016

Two single people live next door to each other; each of their homes in Brunswick is worth well over One Million dollars \$1,000,000. And they both pay Council rates of around \$3,000.

One of them is a public servant, earning approximately \$300,000, per year.

His council rate bill is 1% of his income.

The other is a single pensioner, receiving the single pension approximately \$21,000 per year.

His council rate bill is about 14% of his income.

This simple example illustrates how unfair and discriminatory our system is towards low income people and Pensioners, pensioners are sick and tired of paying more than their fair share on council rates.

However, they feel hopelessly unable to do anything about it and in many cases they feel depressed.

Every politician should be aware that our democracy is not working fairly for low income people and pensioners.

It seems to us, that no politicians are able to understand what's wrong with our democracy in Australia!

We have conversations with thousands of Australian pensioners and so far we never met one that is happy with the present system. They all believe that they no longer should pay any taxation while in retirement,

because they've been paying taxes all their working life and that should be long enough. However, they are being forced to pay more than their fair share, one way or another; but if pensioners have to pay taxes, they should not have to pay 13 times more than their rich neighbor!

Council rates are taxes on property, but any tax should be paid according to income; in order not to hurt or discriminate against low income people and pensioners.

The Local Government Rating System, is a very old model. We Honestly believe that for more than 200 years has not served the Australian people fairly or adequately. Instead, it served the top end of town very well!

In addition the same System makes the rich get richer, but the poor get poorer!

If MPs from the Labor Party or any other political party, as well as independent members, wish to gain some credibility from the Australian people, that they are doing their job well, in representing them in parliament. They should consider, FAIRNESS TO ALL, as well as Capacity to pay the bills. This fact should be made the first priority. We need politicians elected in parliament, that have no conflict of interest in mind!

We Would like to remind the Local Government Rating System Review panel, that for generations after generations, Low income people and pensioners have suffered much hardship, because of politicians inadequate governance in parliament.

In Conclusion, old people that lived all these hardships that we mentioned, they had enough injustice in their lifetime: It is time to stop all injustice and discriminations towards low income people and pensioners. Australian Pensioners' Voice's committee, would appreciate if the LGRS panel would consider our recommendations.

1.We propose that council rates and essential household energy bills be reformed in order to be fair to low income people and pensioners. The reform needed will not be a walk in the park, it may be required to involve a fundamental discussion with the Federal Government when the time is right.

2.We propose that the model in the table below be considered, by the Labor Party, when in government in order to eliminate injustice within low income earners and the pensioners' community.

This model of - 2% - could be adjusted up or down to the amount required.

Income	Percentage % of income	Payable amount
\$21,000 Single. Pensioners	2 %	\$223.00
\$31,000 = Pensioner couple	2%	\$337.00
\$75,000 =	2%	\$1,500
\$100,000	2%	\$2,000
\$150,000	2%	\$3,000
\$200,000	2%	\$4,000
\$300.000	2%	\$6,000
\$400.000	2%	\$8,000
\$500.000	2 %	\$10,000
\$1,000.000	2%	\$20,000

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