



# HEAT ON SENIORS

**EXCLUSIVE**

■ Nick Bruining



WA pensioners face losing up to \$1500 in yearly discounts on council rates and other charges as the State Government counts the costs of Federal Budget cuts.

WA Treasurer Mike Nahan and bureaucrats will review seniors discounts after the fine print of Tuesday's Federal Budget revealed \$1.3 billion would be slashed from a national pensioner and seniors concession program over the next four years.

The cuts threaten pensioners' discounts on local government rates, the emergency services levy, vehicle registration and water charges. They could hit free bus and train travel.

The level of discount varies between States, with WA's more generous than others.

The Federal Government's decision to axe funding to the multi-government partnership on concessions to older Australians is in addition to a tightening of eligibility for the federally issued seniors healthcare card.

From January, single retirees with more than \$50,000 annual income and couples with more than \$80,000 income will no longer receive a card.

Income from account-based pensions funds, previously exempt, will now be included in the deeming system.

The tightening of the means test for the seniors healthcare card had been sold as trimming taxpayer-funded benefits to wealthy retirees and better targeting pension benefits for the neediest Australians. However, the \$1.3 billion in national cuts and \$107 million in WA cuts to the rates, charges and transport program threaten benefits to those

on full pensions.

Retirees WA chief executive Margaret Thomas said pensioners would be hit hard.

"This significant jump in costs will mean a decision to turn a heater on or go cold," she said.

"Many won't have savings or superannuation to call on if these costs go up. While younger people have had some warning they will have to fend for themselves, older people have not."

A spokesman for Dr Nahan said the Federal Budget cuts would take \$107 million over four years from the WA seniors discount program and \$25.4 million in the 2014-15 financial year.

The spokesman confirmed the review of WA concessions but vowed the discount scheme would remain for 2014-15 because they were in the State Budget.

"The State Government will need to review the concessions provided to seniors to ensure that they are fair and equitable, administered efficiently and are sustainable over time," he said.

"It is expected that this review will be complete in time for the 2015-16 State Budget."

The discounts are for retirees holding the Pension Concession card, the Commonwealth Seniors Health card and the WA Seniors

## Cuts hit WA pensioners

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Card. Most WA retirees hold at least one card. The WA Seniors Card is available to long-term WA residents aged over 60 who work less than 25 hours a week on average.

The Federal cards are available to Australian residents over pension age, now 65 for men and women.

It is set to rise to 70 by 2035.

The \$1.3 billion in Federal cuts to the seniors concession programs, which mostly cover discounts on State and local government charges, is a small-scale version of Treasurer Joe Hockey axing \$80 billion of Federal funding for State-administered health and education.

The move is likely to further pressure the State Government to sign up to potential changes to the goods and services tax, a State tax collected by the Commonwealth.

Premier Colin Barnett has refused to take part in talks unless the method of calculating the GST carve-up changes.

■ ALSTON P16

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