

# CHAPTER 7

## ACCESS TO CONCESSIONS

*Concessions are only of value to the lives of pensioners if they are able to access the concessions.<sup>1</sup>*

### **Information dissemination**

7.1 The lack of adequate information regarding concession cards, eligibility criteria and access to concessions was a consistent theme expressed throughout the Inquiry. While DSS targets newsletters and Internet information to all pensioners and allowance/benefit recipients and consumer groups, some people seem to have fallen through this information net. Groups who miss out on relevant information include people from migrant and non-English speaking backgrounds, members of the commercial financial advisory industry and service providers such as general practitioners. As previously detailed, the DSS Financial Information Service may also be providing inaccurate advice to some retirees.

7.2 The Committee considers that there needs to be a national effort to increase awareness, and notes that major information dissemination and public education campaigns will be required if all the recommendations of this report are implemented.

**7.3 The Committee recommends that the Department of Social Security review its current information dissemination strategy regarding concessions and initiate a more effective information campaign. The campaign should target the following groups:**

- **Older people, especially those at retirement age, regarding their entitlement to concession cards and the actual concessions they confer. This should include an emphasis that concession cards are not needed to access free hospital care, or to give preferential hospital treatment as all Australians are entitled to equal care under Medicare;**
- **People from a non-English speaking background;**
- **Members of the financial advisory sector; and**

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<sup>1</sup> Australian Pensioners' & Superannuants' Federation, Submission no. 34, pg 189.

- **Professional service providers such as General Practitioners.**

#### Youth access to concession cards

7.4 Unlike other people receiving income support payments, those receiving Austudy and Community Development Employment Program (CDEP) payments do not automatically receive a concession card when they are assessed as eligible for income assistance. Because these payments are authorised by legislation in the Employment, Education, Training and Youth Affairs portfolio, the payment is not included in concessional legislation. Austudy and CDEP applicants may apply for the low-income Health Care Card (HCC) when applying for income support payments, at a Centrelink outlet. However, they must fill out a separate form. Several groups appearing before the Inquiry, including ACOSS and the Welfare Rights Centre, said this results in some Austudy and CDEP payment recipients not accessing their entitlement to a Health Care Card.

7.5 DSS informed the Committee that Centrelink outlets now package the Austudy application form together with a low-income Health Care Card application form, to ensure Austudy applicants are aware they may also apply for the HCC. However, the double packaging is not being implemented for CDEP application forms.<sup>2</sup> The Department is establishing an internal team to review the CDEP program, including the current low take-up rate of the HCC amongst CDEP communities.

7.6 A common Youth Allowance, to replace several existing income support payments, was announced by the Commonwealth Government on 17 June 1997.<sup>3</sup> The common Youth Allowance will replace Austudy, Newstart, Youth Training Allowance, Sickness Allowance and some Family Payment income support payments for 16-20 year olds from 1 July 1998 (subject to passage of legislation).

7.7 DSS told the Committee the Youth Allowance application form is expected to include application for the low-income Health Care Card, which would enable automatic issue of the HCC when a person's eligibility for Youth Allowance payments and the low-income HCC was confirmed.<sup>4</sup> The Committee

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2 Letter from Department of Social Security, 16 September 1997.

3 Joint press release, the Minister for Social Security (Senator the Hon Jocelyn Newman) and the Minister for Employment, Education, Training and Youth Affairs (Senator the Hon Amanda Vanstone), 17 June 1997.

4 Letter from Department of Social Security, 16 September 1997.

believes this will ensure young low-income Australians receive their entitlement to a HCC.

**7.8 The Committee recommends that the new Youth Allowance application form include an application section for the low-income Health Care Card (*Commonwealth Concession Card*, when introduced).**

**7.9 The Committee recommends that the Department of Social Security review the Health Care Card take-up rate of people participating in the Community Development Employment Program or other equivalent programs. The Department should develop new strategies for ensuring these recipients are aware of their eligibility to apply for a low-income Health Care Card and also ensure easy access to application forms and information.**

#### Access to public dental health treatment

7.10 Another issue regarding access to health care and concessions is that of public dental health services. As outlined in Chapter 2, the Commonwealth Dental Health Scheme ceased operation ahead of schedule in December 1996. There is now some evidence that waiting times for public dental treatment are increasing. The Committee believes the situation must be monitored closely.

**7.11 Whilst recognising States' primary responsibility for dental care, the Committee recommends that the Commonwealth Government conduct an annual review of waiting periods for public dental treatment, with a view to ensuring waiting periods do not revert to those experienced prior to the introduction of the Commonwealth Dental Health Program.**

#### **Access to transport concessions**

7.12 In many submissions and at every public hearing across Australia, access to transport concessions was raised as a major concern. The relationship between mobility and quality of life is recognised by the Commonwealth and State/Territory governments by providing concessions on public transport. The importance of public transport for pensioners and older people in particular, was examined by the NSW Directorate on Ageing in 1995. The Directorate's study found that public transport was a particular concern due to:

- exclusion from community participation through loss of mobility;
- frail older people at risk of isolation in their homes;
- unfairness in concessions favouring residents of inner Sydney;

- increasing reliance on public transport with advancing age;
- public transport inadequacy or inappropriateness in some areas;
- poor access to medical facilities, especially in rural areas;
- practical difficulties faced by older travellers; eg steps or stairs; and
- limited and little publicised services for those with disabilities.<sup>5</sup>

7.13 Many of these issues were raised by pensioner and interest groups. The issues fell under four themes, outlined below.

#### The need for national consistency and reciprocity

7.14 Pensioner Concession Card and Health Care Card holders are generally entitled to half-fare urban public transport within their home State/Territory. States/Territories also give discounts on urban public transport to PCC holders from other States/Territories. A longstanding agreement between Commonwealth and State rail authorities allows PCC holders to travel at half fare between all State capital cities using any combination of State/AN Rail services.<sup>6</sup>

7.15 In most States, Pensioner Concession Card holders are also entitled to some free travel every year. The scope of the travel varies markedly between States/Territories. Table 7.1 outlines PCC holders' entitlements to free travel.

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5 NSW Government Pricing Tribunal, *Inquiry into Public Transport Passenger Services*, Submission from Directorate on Ageing, October 1995.

6 Submission no. 32, pg 152.

Table 7.1 Free travel available to Pensioner Concession Card holders

| <i>State/<br/>Territory</i> | <i>PCC concession on State/Territory rail<br/>transport</i>   |
|-----------------------------|---|
| <b>NSW</b>                  | 2 return (or 4 one-way) rail/coach journeys per year within NSW/ACT   |
| <b>VIC</b>                  | 1 free economy return trip per year anywhere in Victoria  |
| <b>QLD</b>                  | 2 free economy return or 1 free first class return trip per year<br><br>2 free return trips per week less than 25kms, or 1 free return trip per fortnight over 25kms                |
| <b>SA</b>                   | 1 free economy return or 2 single economy trips on lines south of Coonamia (Pt Pirie) and Broken Hill   |
| <b>WA</b>                   | 1 free return or 2 free single trips per year on Westrail rail or bus<br><br>1 free trip per year to the SW land division if card holder living north of the 26th parallel for 2yrs |
| <b>TAS</b>                  | No free rail travel vouchers  |
| <b>NT</b>                   | No free rail travel vouchers, 50% discount on 1 air, rail or bus fare every 2 years   |
| <b>ACT</b>                  | 2 return (or 4 one-way) rail/coach journeys per year within NSW/ACT   |

Source: Department of Social Security submission, Appendix A

7.16 The differences in access to free travel are frustrating for card holders. This is particularly so for Tasmanian pensioners, who cannot access any free travel because the State does not have a rail network. The Tasmanian Pensioners Union argued for a family visitation concession or allowance, to allow pensioners to visit children, grandchildren and other relatives living interstate. The Union told the Committee:

*...there are many Tasmanians here who never get to see their grandchildren, and that is a pretty pathetic state of affairs.*<sup>7</sup>

7.17 Reciprocity across States/Territories is varied. In most States/Territories, it is limited to the urban public transport concessions and discounts on travel between capital cities. The Queensland Government offers State-wide rail discounts to all Pensioner Concession Card holders outside school holiday times. ACT and Victorian PCC holders can obtain discounts on NSW country fares. The Committee was told that PCC holders should be able to access discount concessions on all travel, whether it is on inter-city or country networks. The Australian Pensioners' and Superannuants' League QLD told the Committee:

*...people should be reasonably sure, since we live in the one country, that if you travel to New South Wales or to Victoria you can use your concession card.*<sup>8</sup>

7.18 The Committee commends the commitment of State/Territory governments to providing metropolitan public transport concessions to Pensioner Concession Card holders. The system of concessional travel between capital cities is also to be commended. However, the current situation particularly disadvantages Tasmanian and rural/remote pensioners. Tasmanians are the only Pensioner Concession Card holders in Australia not entitled to some free travel. The Committee urges the Tasmanian government to provide a travel subsidy for its PCC residents to travel interstate. Access to train lines between capital cities is also limited for rural and remote residents. Public transport concessions should be extended to all public transport services, both metropolitan and rural/remote, for PCC holders.

**7.19 The Committee recommends that the Federal Minister for Transport and Regional Development initiate a negotiation process with all State and Territory Transport Ministers, to implement a national transport concession system on all rail and bus services.**

#### Seniors Card transport reciprocity

7.20 The lack of reciprocity of Seniors Cards' benefits was highlighted as a problem by some senior citizens, particularly those wishing to travel interstate. Seniors Card holders have recently begun lobbying strongly for a national

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7 Transcript of Evidence, pg FCA 424.

8 Transcript of Evidence, pg FCA 389.

reciprocity scheme for Seniors Cards. They particularly want access to public transport discounts in other States. The two million card holders argue that they will increase tourism spending in all States/Territories. Mr Stephen Corcoran, a private citizen of the Australian Capital Territory, said in his submission to the Inquiry:

*May I point out that seniors all over Australia have the time and finance to travel Australia wide, spending money on food, accommodation, entertainment etc, thus keeping the tourism industry alive in all the States, not just their own.<sup>9</sup>*

7.21 In 1996, the Health and Community Services Ministerial Council (HCSMC) requested that all State/Territory agencies responsible for Seniors Cards work together towards a national scheme. As a result of this, the National Seniors Tourism Scheme Working Party produced a paper in January 1997, outlining the advantages of providing a national Seniors Card scheme. The paper claimed that:

*The majority of Seniors Card holders are in fact Pensioner Concession Card holders who prefer to access concessions via a Seniors Card to avoid a 'welfare stigma'.<sup>10</sup>*

7.22 However, the Committee was told that Seniors Cards benefit full-rate pensioners (PCC cardholders) the least, as they cannot afford the commercial discounts offered by the Seniors Cards. The Tasmanian Pensioners Union submission said:

*...only those whose income is above the basic pension, really benefit from Seniors Cards. Excluding local transport, most items offered are for holiday accommodation and high priced outlets, not affordable by those on basic pensions.<sup>11</sup>*

7.23 The National Seniors Association (NSA) also said Seniors Cards should be reciprocal throughout Australia and suggested a single card entitled the National Seniors Card.<sup>12</sup>

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9 Submission no. 6, pg 22.

10 National Seniors Tourism Scheme Working Party, *Senior Tourists*, Discussion Paper, January 1997.

11 Submission no. 13, pg 39.

12 Submission no. 41, pg FCA 280.

7.24 State/Territory governments, especially those representing popular tourist destinations, were wary of a proposal to provide reciprocal concessions for Seniors Card holders. The Queensland Government acknowledged that pensioners would bring money to the State as tourists, but argued that because of the extent of QLD's rail network, covering popular tourist destinations such as the Sunshine Coast and North Queensland, the high usage of concessional travel would result in a loss to the State Government. The Government was also concerned that their current passenger rail rolling stock could not cope with demand in peak holiday times, such as Christmas and school holidays.

7.25 NSA suggested that National Seniors Card holders would purchase travel packages from their destination's State/Territory government. NSA argued that this would enable State/Territory governments to recoup the costs of providing extra concessions and also give State/Territory tourism operators greater access to a lucrative target market, namely older Australians.

7.26 The benefits of providing a National Seniors Card scheme must be weighed against the cost to taxpayers of providing extra concessions. The Committee believes that any extension of Seniors Cards travel concessions must not exceed those granted to current Pensioner Concession Card holders. For example, it would be inequitable if Seniors Card holders were granted concessions on all metropolitan and rural/remote public transport services, when this level of reciprocity is not yet available to Commonwealth concession card holders.

7.27 The administration and reciprocity of State Seniors Cards is ultimately a State/Territory based issue. The Committee supports each State/Territory's scheme, which it regards as important in recognising the contribution older people have made to the community. The Committee encourages all State/Territory governments to engage in talks regarding Seniors Cards, with a view to providing national reciprocity where possible.

#### Rural and remote access

7.28 People living in rural and remote areas often cannot access the travel concessions their cards entitle them to. This is mainly due to a lack of public transport services in the area. AP&SF said that concessions are only of value to pensioners if they are able to access the concessions. Attempts to provide concessions through private companies in rural areas often fail, according to AP&SF:



*What use are transport concessions if private bus companies no longer offer a discount to card holders or if trains no longer run?*<sup>13</sup>

7.29 The fact that reciprocal transport concessions are only offered between capital cities also disadvantages rural and remote people, according to COTA (A), which argued that reciprocal travel agreements are important because they enable older people travelling between and within States to obtain the same value of travel concessions throughout Australia, no matter where they lived.<sup>14</sup>

7.30 The Brotherhood of St Laurence, which works in and around Melbourne, said that transport concessions are also harder to access in city fringe areas, where public transport networks are not well developed:

*It is an issue which is real, particularly for parents...who are on low incomes and who are constantly facing the problem of maintaining private cars which are often unsustainable and extremely uneconomic.*<sup>15</sup>

7.31 DSS acknowledged that people living in rural and remote areas may have difficulty accessing transport concessions. The Department argued that the problem is mainly one of a lack of infrastructure and services, which are State/Territory responsibilities. DSS told the Committee:

*There are many reasons why people choose to live in the country and many alternative benefits to be had from country life which many people might think of as outweighing the disadvantages of being unable to access the benefits of city life...the concession program should not be used to correct what is essentially an infrastructure problem, as this would take the pressure off State governments to provide adequate services in these areas.*<sup>16</sup>

7.32 The possibility of cashing out - paying out the value of concessions in cash rather than providing them through discounts on goods and services - was seen to have distinct advantages for rural/remote dwellers. Recommendation

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13 Submission no. 34, pg 189.

14 Submission no. 23, pg 96.

15 Transcript of Evidence, pg FCA 344.

16 Letter from Department of Social Security, 22 July 1997.

6.78 will enable people in rural and remote areas to fund alternative forms of transport, such as private cars or a community bus service.

### Access for disabled people

7.33 Problems of accessing public transport concessions are further exacerbated for people with a disability. Both the lack of actual services and, for some disabled people, an inability to use the services, contribute to problems of mobility.

7.34 DSS provides the Mobility Allowance, of \$56.50 per fortnight, to people with disabilities undertaking employment, vocational training or voluntary work, who are unable to use public transport without substantial assistance. The Australian Council for Rehabilitation of the Disabled (ACROD) argued that the Mobility Allowance should be available for all disabled people who live in areas where there are no public transport services. This money could be used to access taxi services or private bus companies, to enable mobility and enhance quality of life.

**7.35 The Committee recommends that the Mobility Allowance be extended to allow disabled people to access all forms of transport in areas where there are no public transport services specific to their needs.**

7.36 The Committee notes that implementation of an optional cashing out system for transport concessions (Recommendation 6.78) may provide an alternative solution to the problem and recommendation outlined above.

7.37 For people with a disability, taxi services are a very important method of transport. Each State/Territory has a subsidy system in place for disabled taxi travel. The taxi subsidy schemes differ from other transport concessions, as eligibility for the taxi subsidy is not specifically linked to receipt of income support payments. However, as many disabled people have a strong reliance on taxi transport and the issue was frequently raised in submissions and at public hearings, the Committee feels it is important to examine this issue. The taxi concession schemes are outlined in the Table 7.2.

7.38 Victoria and South Australia have reciprocal arrangements where subsidy vouchers can be used in both States. In most border towns across Australia, such as Albury-Wodonga and Tweed Heads, reciprocal arrangements are in place. The lack of reciprocity across Australia (except for the above cases) is of great dissatisfaction to disabled people. The Committee was told that the lack of subsidy for taxi transport in States/Territories other than a person's home State/Territory, severely limits the business, study and leisure opportunities available for disabled people.

Table 7.2 *Taxi transport subsidies for disabled people*

| <i>State</i> | <i>Taxi transport subsidy</i>   |
|--------------|---|
| <i>NSW</i>   | 50% subsidy up to a maximum of \$25 per trip, for people with permanent and severe disabilities   |
| <i>VIC</i>   | 50% subsidy up to a maximum of \$25 per trip, for people with permanent and severe disabilities   |
| <i>QLD</i>   | 50% subsidy up to a maximum of 40kms, for people with a disability  |
| <i>SA</i>    | Non-wheelchair bound people receive a 50% subsidy, wheelchair bound people receive a 75% subsidy, up to a maximum of \$35. 60 vouchers are issued every six months        |
| <i>WA</i>    | 50% subsidy up to a maximum of \$25, for people with a permanent and severe disability. Also 50% subsidy for people assisting a disabled person                           |
| <i>TAS</i>   | 35% subsidy for use of normal taxis up to a maximum of \$15, and 60% subsidy for use of wheelchair-specific taxis up to a maximum of \$30                                 |
| <i>ACT</i>   | 108 x \$2 taxi subsidy vouchers, issued to people with a severe disability  |
| <i>NT</i>    | 50% subsidy for disabled people unable to use public transport. For use in metropolitan areas for metropolitan residents, and for travel to/from town for rural residents |

*Source: Department of Social Security submission, Appendix A*

7.39 A member of the Paraplegic Quadriplegic Association of Tasmania (Paraquad) told the Committee:

*My disability certainly does not diminish when I go to Melbourne...when I get to Tullamarine [airport], I do not park my chair in the lobby and start walking around in Victoria. My disability is exactly the same over there, as are my needs.<sup>17</sup>*

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17 Transcript of Evidence, pg FCA 461.

7.40 An ACT taxi company told the Committee it was willing to provide concessional travel to any disabled person, but current arrangements prevented the company from claiming a rebate for anyone except ACT residents. Understandably, from each taxi company's business point of view, they only wish to deal with one agency - ie their home government - for reimbursement of concessions. Any reciprocity scheme could not work if, for example, an ACT taxi company was required to claim reimbursement from the Queensland Government.

7.41 State/Territory governments appear to be concerned about the administrative complexity and funding implications of extending disabled taxi subsidies to all Australian residents. Governments in popular tourist destinations, or less populated States/Territories, were reluctant to fund extra subsidies. The Queensland Government told the Inquiry it would support national taxi subsidies if the traveller's home State/Territory would fund the subsidy, no matter where it was offered.<sup>18</sup>

7.42 A complicating factor for national reciprocity on disabled taxi transport is the varying levels of subsidies provided by the State/Territory government schemes (outlined in Table 7.2). The different schemes currently in place would clearly be very confusing for taxi drivers if people were using their home State/Territory subsidy voucher to claim a concession in a different State/Territory. A national scheme, where the subsidy was the same throughout Australia, would be needed for reciprocity to work. This would also solve some problems of inequity in States/Territories such as Tasmania, which currently offers much smaller subsidies than other States/Territories.

7.43 ACROD canvassed its State branches throughout Australia regarding problems faced by disabled people in accessing taxi transport. The main issues arising from ACROD's research were:

- suitability of vehicles both in terms of physical accessibility and comfort and in terms of wider community acceptance;
- driver education - although this aspect was improving;
- availability of vehicles when required - a problem of lack of suitable vehicles and inadequate booking systems;
- costs for consumers, especially those who use taxis on a regular basis or for long distances; and

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18 Letter from Queensland Government, 10 June 1997.

- reciprocity between States/Territories.<sup>19</sup>

7.44 The Committee encourages State/Territory governments to consider the above issues when granting and renewing taxi companies' operating licences.

7.45 A witness before the Committee, Mr Adam Johnston, raised the possibility of a national transport concession system being introduced by the Commonwealth Government. However, as the Constitution does not empower the Commonwealth to take control of all concessions, this would probably further complicate the system, since utilities such as electricity, water and gas are State/Territory controlled.

7.46 Mr Johnston, who needs to access taxi transport to travel to and from university and other activities, argued that Sections 92, 117 and 118 of the Constitution provide for the Commonwealth to take sole responsibility for some areas of concessions, predominantly travel reciprocity across Australia. These are set out below:

**92** On the imposition of uniform duties of customs, trade, commerce and intercourse among the States, whether by means of internal carriage or ocean navigation, shall be absolutely free.

**117** A subject of the Queen, resident in any State, shall not be subject in any other State to any disability or discrimination which would not be equally applicable to him if he were a subject of the Queen resident in such other State

**118** Full faith and credit shall be given throughout the Commonwealth to the laws, the public Acts and records, and the judicial proceedings of every State.<sup>20</sup>

7.47 Mr Johnston argued that as long as the States/Territories fail to provide reciprocity for taxi transport subsidy, they are failing to provide for free intercourse between the States/Territories, as defined by Section 92 of the Constitution. Mr Johnston also said that because he cannot access disability transport at a concessional rate in States/Territories, other than his home State of NSW, he is subject to disability and discrimination when travelling interstate (s 117). Mr Johnston's submission outlined the importance of section 117 of the Constitution to his argument for national reciprocity:

*How do you reconcile this situation [current lack of reciprocity] with Section 117 of the Constitution?*

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19 Letter from ACROD, 20 March 1997.

20 *Constitution of Australia* (as altered to 1 December 1977).

*Travelling in these States will mean a 'disability' is imposed, with a commuter's inability to claim concessions comparable to those of their home State.<sup>21</sup>*

7.48 Mr Johnston has raised this issue with the Commonwealth Government and many State governments and agencies over a number of years. The Committee commends his persistence in lobbying for a change in the current taxi subsidy scheme.

7.49 Recommendations for a taxi reciprocity scheme for disabled people must be viewed in the wider context of current Commonwealth/State agreements on provision of services and care for disabled people. However, this is an area of great importance to disabled people and substantially affects their capacity to travel and participate in Australia's social and economic life.

**7.50 The Committee recommends that the Commonwealth Government initiate a negotiation process among all State and Territory governments regarding disabled taxi transport subsidy, with a view to establishing a national scheme of reciprocity. There should be uniform eligibility criteria for disabled taxi transport concessions in all States and Territories, and a uniform fare subsidy of at least 50% throughout Australia, payable by the traveller's State or Territory of residence, regardless of where the travel is undertaken.**

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21 Submission no. 43, pg FCA 305.