

Submission into IPART Opal card review - especially Gold Opal Card Eligibility.

I object to the IPART draft recommendations regarding changing the eligibility for Gold Opal Card entitlement , in particular the following -

Your Point 2.8.3 states *"Means testing access to the Gold Opal card would more tightly target the deep discounts it provides to those for whom the cost of travel is a real barrier. The current system is unfair as it allows some customers on relatively high incomes to access concessions that are far more generous than those available to many low income earners, such as job seekers, who are eligible for a Concession Opal card, but not a Gold Opal card."*

Point 1

Eligibility for a Concession Card is not necessarily a determinant of not being relatively "wealthy".

Today many seniors with good financial advisors are able to structure their financial affairs to ensure they receive a part pension (even \$1) and the Concession Card, with all the benefits that that card attracts (reduced rates, car registration, health care etc.) . This is particularly easy due to the current generous "asset test" criteria and the ability of retirees to select the amount of superannuation pension taken to ensure that is lower than the "income test".

On the other hand there are retirees that do not receive the Concession Card or even \$1 pension, and receive no more income than many retirees on a part pension and superannuation and can hardly be considered "HIGH INCOME EARNERS". This is due to the former retirees receiving a non-eligible pension, such as the CSS pension applicable to former Commonwealth Government workers. In fact when the Concession Card benefits (reduced rates, car registration, health care etc.) are taken into account, many of these former Commonwealth retirees are relatively "poorer" as compared to some Concession Card holders, who still have very large assets (up to approx \$1.2 million for a couple).

Therefore, in my opinion, possession of a Concession Card is not a necessarily accurate determinant of "wealth", "high income" or suitability for government concessions/discounts.

Point 2

Due to federal government changes (both enacted and proposed) retirees that may have a Concession Card one year may not continue to be entitled to it in future years.

Under your proposal, once a retiree receives a Concession Card they will be eligible for a Gold Opal Card, notwithstanding that they may lose the right to the Concession Card in a future year.

1) For example due to the Government changes to Defined Benefits Superannuation, some retirees lost some/most/all the pension from 1 January 2016 and some may have lost the Concession card.

2) Likewise, changes to the Asset Test from 2017 may mean that some retirees may lose some/most/all the pension and with it the Concession Card.

3) Likewise, a single retiree may receive a full/part pension and Concession Card now, but when their younger spouse/partner reaches pensionable age, their COMBINED assets/income will apply and the first retiree may lose the pension and Concession Card.

Therefore your proposed system would only work if all retirees had to declare their Concession Card each year or declare any loss of the Concession Card entitlement - obviously a cumbersome and administrative impossibility.

Point 3

Having issued Gold Opal Cards to all retirees on the basis of possession of a NSW seniors card, how are you going to administer the eligibility of such existing Gold Opal Card holders?

- Are you going to withdraw all Gold Opal Cards from those who refuse to go onto some internet site and enter a valid Concession Card number?
- How are you going to process eligibility for those seniors who don't know how to use the internet?
- How are you going to check that the Concession Card number being provided is in fact either valid (ie issued to that person and/or is still current)?
- Are you going to require this information to be provided each year?
- Are you going to ask the Commonwealth/Centrelink for details of all pensioners entitled to a NSW Concession Card?
- Are you only going to ask new retirees, applying for the Gold Opal Card to provide such information ?
- How are "ineligible" current Gold Opal Card holders going to be transferred to the Concession Opal Card seamlessly?

All this seems to be an administrative nightmare, not worthy of an elected government.

Point 4

More importantly, the issue of equity should apply to all retirees. All retirees have paid their taxes/full fares and on a basis of equity should be entitled to the same concession/discount.

Also as we age, we can't all continue to drive motor cars (Note that the NSW Police road safety commissioner recently - early January 2016 - appeared on TV to appeal to older drivers to consider handing in their licences in the interest of road safety).

Therefore, as ALL seniors become dependent on public transport as they age they need such services, for medical appointments, shopping and to visit family as well as travel for social interaction. All seniors should therefore not be penalised for using vitally needed public transport.