

AIM

I urge that the changes proposed in the Draft Report on Public Transport Fares in Sydney and Surrounds, specifically those relating to the conditions of eligibility for the Gold Opal Card, be reconsidered.

SITUATION ANALYSIS

If the Opal Card is limited to Age Pensioners, thousands of self-funded retirees, most of whom have been excluded from the pension by the Assets Test, even though qualifying through the Income Test, will be required to pay almost 400% more (\$9.00) daily than they currently pay (\$2.50) daily with their Gold Opal Cards. It is important to remember that the majority of self-funded retirees have no more income (from which public transport fares must be paid) than have Aged pensioners, and that returns from assets invested have been at historical lows since the GFC in 2008. Such an increase in public transport fares will impact heavily on the already stretched budgets of many thousands of self-funded retirees.

In another year, when more stringent Assets Test requirements begin, many more thousands of current Age Pension recipients will be cut off and will be issued with an income-tested Commonwealth Seniors Card instead, which will entitle them to some concessions, although these are much inferior to those under the Age Pension.

RECOMMENDATION

1. That all retirees remain eligible for the Gold Opal Card.
2. If IPART is concerned about a minority of high-income self-funded retirees receiving undue concessions through the Gold Opal Card, one solution would be to extend eligibility for the Gold Opal Card to holders of the Commonwealth Seniors Card, along with Age Pensioners.