

HOUSEHOLD FEES AND CHARGES

The 2015-16 Budget includes the following increases in household fees and charges, which take effect from 1 July 2015:

- a 4.5% increase in residential electricity tariffs;
- a 4.5% increase in the Water Corporation's total water tariffs (water, wastewater and drainage);
- a 2.6% increase in public transport standard fares (rounded to the nearest ten cents), with the 60 cent student fare remaining unchanged;
- a 2.7% increase in drivers' licence fees;
- a 2.6% increase in motor vehicle licence fees;
- a 4.1% increase in compulsory third party (CTP) insurance premiums; and
- a 10.6% (or \$25) increase in the Emergency Services Levy.

Total expenditure by the 'representative household' on this basket of Government goods and services in 2015-16 is \$5,412.27. This is an increase of \$198.54 or 3.81% on 2014-15 levels.

Even after the increases outlined above and prior to other States announcing their 2015-16 Budgets, the representative household in Western Australia has amongst the lowest expenditure on State Government goods and services when compared to other States (see Figure 1). For example:

- Western Australia's 2015-16 electricity charges remain lower than the national average, even prior to other States announcing any increases;
- public transport fares are the lowest in the nation and will remain significantly lower than those in Queensland and New South Wales;
- motor vehicle charges will remain amongst the lowest in Australia, particularly with respect to compulsory third party insurance premiums¹; and
- the Government will spend \$1.8 billion in 2015-16 on operating subsidies, rebates and concessions for electricity, water and public transport.

Assistance for Households

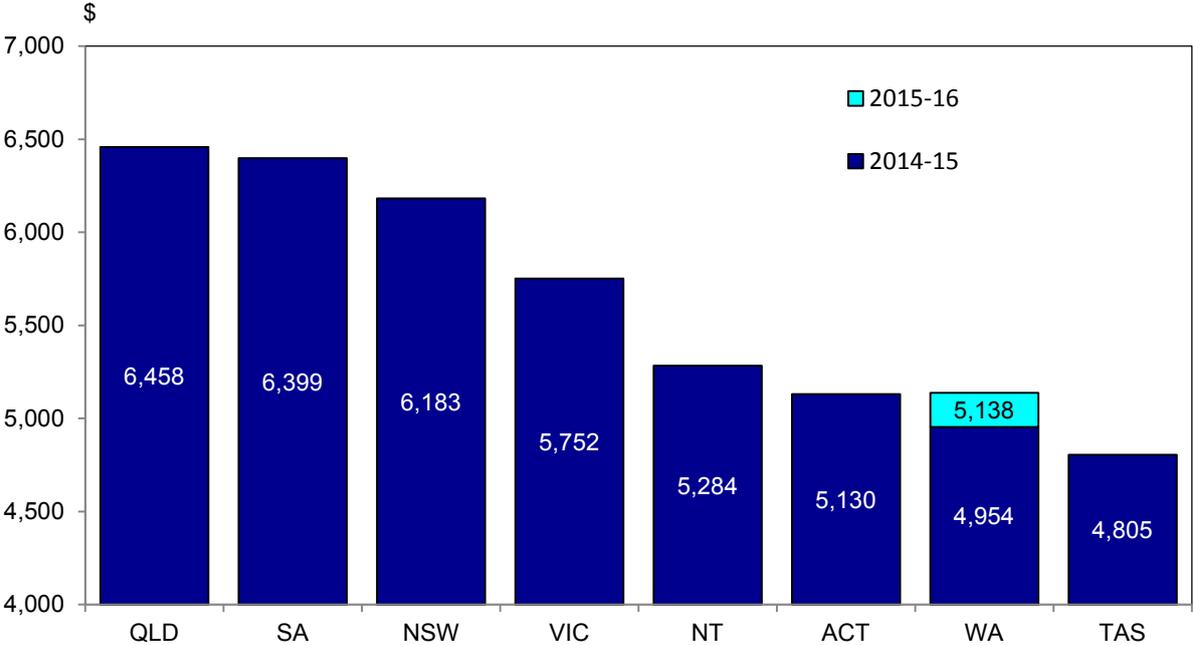
The Government recognises that some individuals and families need assistance to pay utility bills. The Government funds the Hardship Utilities Grants Scheme (HUGS) to help people in financial difficulty to pay water, gas and electricity bills so that supply is not suspended. To apply for HUGS, customers can contact their electricity, gas or water supplier.

¹ From 1 July 2016 people catastrophically injured in motor vehicle accidents in Western Australia will be covered by a no-fault catastrophic injury CTP insurance scheme. The scheme will cost motor vehicle owners a maximum of \$99 per annum per motor vehicle registration (inclusive of GST and insurance duty) in addition to the existing CTP insurance scheme's premium. Even with the addition of the \$99 premium from 1 July 2016, the cost of CTP insurance in Western Australia will remain amongst the lowest in Australia.

In addition, the Government funds a range of concessions to help low income Western Australian families pay utilities bills, including the Energy Assistance Payment (formerly the Cost of Living Assistance payment). The EAP is worth \$227.14 in 2015-16 for eligible households, with eligibility being better targeted from 1 July 2015 to holders of a means-tested Commonwealth Concession Card².

Figure 1

INTERJURISDICTIONAL HOUSEHOLD FEES AND CHARGES



The interjurisdictional comparison of the household model contains various assumptions, including:

- certain Western Australian consumption levels that may not be appropriate in other jurisdictions;
- certain Western Australian fees and charges have no comparable equivalent in other jurisdictions; and
- not all tariffs, fees and charges levied in Western Australia are also levied in other jurisdictions.

Furthermore, given that many interjurisdictional fees and charges are released at differing times, the data in respect of other jurisdictions is captured retrospectively.

² Eligible cards include the Pensioner Concession Card, Health Care Card, Veterans' Affairs Gold Card and Commonwealth Seniors Health Card.