



Minister for Families, Housing, Community Services and Indigenous Affairs

## Media Release

### Indexation delivers increase to Pensions and other Income Support Payments

**06/03/2009**

More than 3.4 million Australians will receive an increase in their pensions and other income support payments and allowances from 20 March 2009.

Indexation will deliver an increase of \$7.70 a fortnight in the maximum single pension and \$6.40 in the maximum partnered rate for each member of a pensioner couple.

The single pension is rising in line with its benchmark of 25 per cent of Male Total Average Weekly Earnings, with a proportional flow on to partnered pensions.

The maximum single pension rate will now be \$569.80 and the maximum partnered pension rate will be \$475.90 a fortnight for each member of a pensioner couple.

Adult rates of allowances and some family and supplementary payments are also indexed on 20 March each year, based on the Consumer Price Index (CPI) percentage increase for the previous six months.

These payments will rise in line with a 0.9 per cent increase in the CPI for the six months to December 2008.

Allowance rates for single people, (21 or over, without children) have increased, to \$453.30 per fortnight up from \$449.30.

CPI increases will also apply to Newstart Allowance, Partner Allowance, Sickness Allowance, Widows Allowance and Parenting Payment Partnered.

People eligible for the Aged Pension (including those eligible for Rent Assistance), Special Benefit, Wife Pension, Widow B Pension, Carers Payment, Maternity Immunisation Allowance, Disability Support Pension, Bereavement Allowance and Rent Assistance (FTB recipients), will all benefit from the increases.

These increases in income support payments will be accompanied by an increase in the income and assets cut out amounts for these entitlements.

The Government has taken a number of steps to ease the financial pressure on pensioners' budgets.

Following the dramatic falls on share markets, on October 2008 the Government asked Centrelink to review the value of listed securities and managed investments with the revised values taking effect from 3 November 2008. Another regular revaluation of all shares and managed investments held by pensioners will be undertaken by Centrelink on 20 March 2009.

The Government has also lowered the deeming rates to take account of lower returns on investments.

Around 290,000 older Australians will benefit from the Government's \$42 billion Nation Building and Jobs plan.

Self-funded retirees who paid tax in 2007-8 through investments or other income and part pensioners who paid even \$1 of tax, will get a tax bonus of up to \$900.

In total, excluding normal indexation, the Rudd Government has provided an additional \$2,337 of assistance to single pensioners and \$3,537 to pensioner couples since coming to office.

The Australian Government is committed to long term pension reform in the 2009-10 Budget.

## **Payment Rate, Threshold and Limits changes effective 20 March 2009**

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### **Summary of Changes - Pension**

<b>Non-Homeowners</b>	Partnered, homeowner (combined)	\$873,500	\$882,500	\$9,000
	One partner eligible, homeowner	\$873,500	\$882,500	\$9,000
	Illness separated couple, homeowner	\$1,001,000	\$1,011,500	\$10,500
	Single, non-homeowner	\$675,000	\$680,250	\$5,250
	Partnered, non-homeowner (combined)	\$998,000	\$1,007,000	\$9,000
	One partner eligible, non-homeowner	\$998,000	\$1,007,000	\$9,000
	Illness separated couple, non-homeowner	\$1,125,500	\$1,136,000	\$10,500

‡ Disqualifying Asset Limits include consideration for Pharmaceutical Allowance

### Disability Support Pension Under 21 Disqualifying Income Limits - Fortnightly Amounts

	Previous Amount	20 Mar 2009	increase
<b>Couple, under 18 (combined)</b>	\$2,602.50	\$2,634.50	\$32.00 pf
<b>Couple, 18 - 20 (combined)</b>	\$2,602.50	\$2,634.50	\$32.00 pf

### Disability Support Pension Under 21 -Disqualifying Asset Limits

	Previous Amount	20 Mar 2009	increase
<b>Homeowners</b>			
Couple under 18 (combined)	\$873,500	\$882,500	\$9,000
Couple 18-20 (combined)	\$873,500	\$882,500	\$9,000
<b>Non-Homeowners</b>			
Couple under 18 (combined)	\$998,000	\$1,007,000	\$9,000
Couple 18-20 (combined)	\$998,000	\$1,007,000	\$9,000

### Pension Bonus Scheme Single

Years (Bonus Periods)	Previous Amount	20 Mar 2009	increase
1	\$1,373.80	\$1,392.60	\$18.80
2	\$5,495.10	\$5,570.40	\$75.30
3	\$12,364.00	\$12,533.30	\$169.30
4	\$21,980.40	\$22,281.50	\$301.10

5	\$34,344.30	\$34,814.80	\$470.50
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### Pension Bonus Scheme Partnered (each)

Years (Bonus Periods)	Previous Amount	20 Mar 2009	increase
1	\$1,147.50	\$1,163.10	\$ 15.60
2	\$4,589.80	\$4,652.40	\$ 62.60
3	\$10,327.10	\$10,467.90	\$ 140.80
4	\$18,359.30	\$18,609.60	\$ 250.30
5	\$28,686.50	\$29,077.50	\$391.00

### Summary of Changes - Allowances

Allowance Rates (NSA, WA, PA, SA) - Fortnightly Amounts	Previous Amount	20 Mar 2009	increase
Single, 21 or over, no children	\$449.30	\$453.30	\$4.00 pf
Single, 21 or over, with children	\$486.00	\$490.40	\$ 4.40 pf
Single, 60 or over, after 9 months (PhA incl.)	\$492.00	\$496.40	\$ 4.40 pf
Partnered (each)	\$405.40	\$409.00	\$ 3.60 pf
Single, principle carer of child, exempt from activity test	\$562.10	\$569.80	\$ 7.70 pf
Youth Allowance Rates - Fortnightly Amounts	Previous Amount	20 Mar 2009	increase
Single, principle child carer with exemption	\$562.10	\$569.80	\$ 7.70 pf

### Income Test Cutoffs for NSA, WA, PA, SA - Fortnightly Amounts

Family Situation	Previous Amount	20 Mar 2009	increase
Single, 21 or over, no children	\$842.17	\$848.84	\$ 6.67 pf
Single, 21 or over, with children	\$903.34	\$910.67	\$ 7.33 pf
Single, 60 or over, after 9 months (PhA)	\$913.34	\$920.67	\$ 7.33 pf
Partnered (each)	\$769.00	\$775.00	\$6.00 pf
Single, principal carer of child, exempt from activity test	\$1,030.17	\$1,043.00	\$ 12.83 pf

## Summary of Changes - Families

<b>Parenting Payment Basic Rates - Fortnightly Amounts</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Sole Parents	\$562.10	\$569.80	\$ 7.70 pf
Partnered Parents	\$405.40	\$409.00	\$ 3.60 pf
<b>Income Test for Parenting Payment - Fortnightly Amounts</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Partner's Free Area	\$769.00	\$775.00	\$6.00 pf
For part payment of additional rate all of the following conditions must be met:			
- customer's income must be less than	\$769.00	\$775.00	\$6.00 pf
- partner's income must be less than	\$ 1,444.67	\$ 1,456.67	\$12.00 pf
- combined income must be less than	\$1,538.00	\$1,550.00	\$12.00 pf
If partner is on pension, couples combined income must be less than	\$1,538.00	\$1,550.00	\$12.00 pf
<b>Maternity Immunisation Allowance</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
MIA One off lump sum payment	\$243.30	\$245.50	\$ 2.20
MIA Half payment	\$121.65	\$122.75	\$ 1.10

**Summary of Changes - Miscellaneous**

<b>Seniors Concession Allowance (paid quarterly: 20 Mar, 20 June, 20 Sept, 20 Dec)</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Payable to holders of the Commonwealth Seniors Health Card			
- Annual Amount	\$514.00	\$518.80	\$ 4.80 pa
- Quarterly Amount	\$128.50	\$129.70	\$ 1.20 pq
<b>Utilities Allowance (paid quarterly: 20 Mar, 20 June, 20 Sept, 20 Dec)</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Payable to Australians of Age Pension Age in receipt of Income Support Payments			
- Annual Amount (single or couple combined)	\$514.00	\$518.80	\$ 4.80 pa
- Quarterly Payment (single or couple combined)	\$128.50	\$129.70	\$ 1.20 pq
<b>Health Care Cards (HCC)</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Average weekly income for eight weeks previous to applying:			
- Single	\$446.00	\$450.00	\$4.00 pw
- Couple (combined)	\$743.00	\$749.00	\$6.00 pw
- Single, or couple combined, one child	\$777.00	\$783.00	\$6.00 pw
- For each additional child	\$34.00	\$34.00	\$-pw
<b>CDEP Participation Supplement (CPS) Income Test - Fortnightly Amounts</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
CPS is payable if income is below:			
- Single	\$1,025.00	\$1,034.00	\$9.00 pf
- Couple	\$942.00	\$949.00	\$7.00 pf
Total income of both partners must be under	\$1,884.00	\$1,898.00	\$14.00 pf

**Summary of Changes - Rent Assistance - Social Security Act 1991**

<b>Maximum Payment - Fortnightly Amounts</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Single, no children	\$110.20	\$111.20	\$1.00 pf
Single, no children, sharer	\$ 73.47	\$ 74.13	\$ 0.67 pf
Couple, no children	\$103.80	\$104.80	\$1.00 pf
Partnered, illness separated, no children	\$110.20	\$111.20	\$1.00 pf
Partnered, temporarily separated, no children	\$103.80	\$104.80	\$1.00 pf
Partnered, 1 or 2 children (SS Act)	\$64.60	\$65.20	\$ 0.60 pf
Partnered, 3 or more children (SS Act)	\$73.00	\$73.60	\$ 0.60 pf
<b>Rent threshold - Fortnightly Amounts</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Single, no children	\$98.00	\$98.80	\$ 0.80 pf
Single, no children, sharer	\$98.00	\$98.80	\$ 0.80 pf
Couple, no children	\$159.60	\$161.00	\$ 1.40 pf
Partnered, illness separated, no children	\$98.00	\$98.80	\$ 0.80 pf
Partnered, temporarily separated, no children	\$98.00	\$98.80	\$ 0.80 pf
Partnered, 1 or 2 children (SS Act)	\$190.80	\$192.60	\$ 1.80 pf
Partnered, 3 or more children (SS Act)	\$190.80	\$192.60	\$ 1.80 pf
<b>Minimum Rent to get Maximum Payment - Fortnightly Amounts</b>	<b>Previous Amount</b>	<b>20 Mar 2009</b>	<b>increase</b>
Single, no children	\$ 244.93	\$ 247.07	\$ 2.13 pf
Single, no children, sharer	\$ 195.96	\$ 197.64	\$ 1.69 pf
Couple, no children	\$298.00	\$ 300.73	\$ 2.73 pf
Partnered, illness separated, no children	\$ 244.93	\$ 247.07	\$ 2.13 pf
Partnered, temporarily separated, no children	\$236.40	\$ 238.53	\$ 2.13 pf
Partnered, 1 or 2 children (SS Act)	\$ 363.07	\$ 366.47	\$ 3.40 pf
Partnered, 3 or more children (SS Act)	\$ 385.47	\$ 388.87	\$ 3.40 pf

## Summary of Changes - Rent Assistance - Family Assistance Act 1999

Maximum Payment - Fortnightly Amounts		Previous Amount	20 Mar 2009	increase
Single, 1 or 2 children		\$129.36	\$130.48	\$ 1.12 pf
Single, 3 or more children		\$146.30	\$147.56	\$ 1.26 pf
Couple, 1 or 2 children		\$129.36	\$130.48	\$ 1.12 pf
Couple, 3 or more children		\$146.30	\$147.56	\$ 1.26 pf
Couple, Illness Separated, Temporarily Separated	1 or 2 Children	\$129.36	\$130.48	\$ 1.12 pf
	3 or More children	\$146.30	\$147.56	\$ 1.26 pf
Rent threshold - Fortnightly Amounts		Previous Amount	20 Mar 2009	increase
Single, 1 or 2 children		\$128.94	\$130.06	\$1.12 pf
Single, 3 or more children		\$128.94	\$130.06	\$1.12 pf
Couple, 1 or 2 children		\$190.82	\$192.50	\$ 1.68 pf
Couple, 3 or more children		\$190.82	\$192.50	\$ 1.68 pf
Couple, Illness Separated, Temporarily Separated	1 or 2 Children	\$128.94	\$130.06	\$1.12 pf
	3 or More children	\$128.94	\$130.06	\$1.12 pf
Minimum Rent to get Maximum Payment - Fortnightly Amounts		Previous Amount	20 Mar 2009	increase
Single, 1 or 2 children		\$301.42	\$ 304.03	\$ 2.61 pf
Single, 3 or more children		\$ 324.01	\$ 326.81	\$ 2.80 pf
Couple, 1 or 2 children		\$363.30	\$ 366.47	\$ 3.17 pf
Couple, 3 or more children		\$ 385.89	\$ 389.25	\$ 3.36 pf
Couple, Illness Separated, Temporarily Separated	1 or 2 Children	\$301.42	\$ 304.03	\$ 2.61 pf
	3 or More children	\$ 324.01	\$ 326.81	\$ 2.80 pf

pa = Per annum

pq = Per quarter

pf = Per fortnight

pw = Per week