



extra support seniors fact sheet

This supplementary fact sheet further outlines ways in which the Howard Government supports seniors. It should be read in conjunction with fact sheets contained in the Seniors Information Kit.

Age Pension - Fact Sheet 1

The pension age for women is gradually rising to 65 years. The age at which women qualify depends on their date of birth. This decision was made to reflect women's increased participation in the workforce and their access to superannuation. As of 1 July 2005, the age at which women qualify for Age Pension is 63 years and over, up from 62.5.

Concessions - Fact Sheet 1

A Pensioner Concession Card (PCC) is automatically issued to all social security pensioners, Department of Veterans' Affairs service pensioners and war widows who receive the Income Support Supplement, as well as certain allowees. PCC holders and their dependants may receive pharmaceuticals listed under the Pharmaceutical Benefits Scheme (PBS) at the concessional rate, a lower Medicare safety net, access to bulk billing and free hearing assessments and rehabilitation from selected providers. State, territory and local governments also provide a range of concessions to PCC holders.

Exemption of Accommodation Bonds from the Assets Test - Fact Sheets 1 and 7

The Australian Government delivered on an election commitment to exempt accommodation bonds from the Social Security and Veterans' Affairs assets tests. Since 1 July 2005, accommodation bonds paid by residents in residential aged care are exempt from the Social Security and Veterans' Affairs assets tests.

This measure applies to all lump sum accommodation bonds, regardless of when they were paid. In addition, residents who pay all or part of their accommodation bond by periodic payments are able to rent out their former home, without the rental income or the value of the former home affecting their rate of pension. To ensure no eligible aged care resident misses out on the exemption, special rules to allow backdating of claims to 1 July 2005 will be available where eligible customers apply for an income support pension prior to 30 September 2005, or prior to 30 June 2006 if they have special circumstances.

Increasing the superannuation contributions age limit to 75 - Fact Sheets 2 and 3

With effect from 1 July 2002, the Government raised the maximum age for making personal superannuation contributions from 70 to 74. Previously superannuation funds were only able to accept mandated employer contributions on behalf of workers over 70. People aged between 65 and 74 can now contribute to superannuation where they have worked at least 40 hours within a period of 30 consecutive days. Once a person satisfies this test they are able to make contributions for the rest of the financial year.

Super Surcharge Rate Removal - Fact Sheet 2

In the 2005-06 Budget the Government announced that it will abolish the surcharge on superannuation contributions and relevant termination payments made or received in the 2005-06 and later financial years. This more than fulfills the Government's 2004 election commitment to reduce further the maximum surcharge rates.

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Senior Australians Tax Offset - Fact Sheets 2 and 3

As a result of the tax cuts announced in the 2005-06 Budget, from 1 July 2005, the Senior Australians Tax Offset (SATO) combined with the low-income tax offset, will ensure that single senior Australians can have income up to \$21,968 without paying tax (up from \$20,500). Similarly, eligible couples will be able to have combined income up to \$36,494 without paying tax (up from \$33,612), depending on the income earned by each member of the couple.

A more flexible and adaptable retirement income system - Fact Sheet 2

The Australian Government has recently introduced initiatives to improve the retirement income system. Superannuation rules have now been changed to reduce red tape and to make it easier for Australians to contribute to superannuation. There has also been a broadening in the range of income streams that qualify for taxation and social security assets test concessions. In addition, since 1 July 2005, people who have not retired can access their superannuation in the form of certain types of income stream, once they reach their superannuation preservation age.

Mature Age Worker Tax Offset - Fact Sheet 4

The Australian Government has introduced a new Mature Age Worker Tax Offset as an extra incentive for people to stay in work beyond the age of 55. The offset is available to people aged 55 and over, and provides a maximum annual rebate of \$500 on their income from working. The offset is available from the start of the 2004-05 financial year, and will be payable on assessment.

Mature Age Employment and Workplace Strategy - Fact Sheet 4

The Mature Age Employment and Workplace Strategy seeks to improve the labour force participation of mature age Australians as a key strategy for managing the impact of demographic change.

The Strategy takes an holistic approach by focusing on employers, mature age job seekers and mature age workers. It seeks to overcome negative attitudes to mature age employment, improve the awareness of mature age Australians to the changing demographic environment, and broker solutions to skill shortages in key industry sectors.

Medicare Safety Net – Fact Sheet 5

The Medicare Safety Net covers 80 per cent of the out-of-pocket costs for medical services provided outside hospital. As of 1 January 2006, the annual thresholds will change from \$306.90 to \$500 a year for concession card holders and families entitled to receive Family Tax Benefit Part A. For all other individuals and registered families, the threshold will change from \$716.10 to \$1000 a year from 1 January 2006.

Budget Measures – Fact Sheet 6

In the 2005-06 Budget, the Australian Government announced it will provide an additional \$207.6 million over four years for additional respite to support carers. This includes:

- > a one-off Carer Bonus of \$1000 to eligible recipients of Carer Payment. Carer Allowance recipients received a one-off payment of up to \$600 for each eligible person they provide care for. These bonuses were paid prior to the end of June 2005;
- > an additional \$95.5 million to increase the number of respite services available to carers;
- > an additional \$41.8 million to increase the availability of high care respite in aged care homes;
- > an additional \$61.0 million for overnight respite in community respite houses;
- > an additional \$9.3 million to multipurpose services to increase respite in rural and remote areas; and
- > \$10.2 million for the Carer Information and Support Program to provide carers with up-to-date information about matters of concern to them in their role as carer.

The information contained in this update to the Seniors Information Kit is current at July 2005.
