



**PRIME MINISTER  
TREASURER AND DEPUTY PRIME  
MINISTER  
MINISTER FOR FAMILIES,  
HOUSING, COMMUNITY SERVICES  
AND INDIGENOUS AFFAIRS**

**EXTRA SUPPORT FOR PENSIONERS AND SELF-FUNDED RETIREES**

The Gillard Government will provide Australia's 3.4 million pensioners with extra payments that at least offset all of their expected price impact under a carbon price.

Around 90 per cent of pensioner households, including all full rate pensioners, will also benefit from a buffer of at least 20 per cent over and above their expected average price impact from the carbon price.

About 280,000 self-funded retirees who are Commonwealth Seniors Health Care Card holders will receive the same amount of assistance as age pensioners.

Australians receiving Age Pensions, Disability Support Pensions, Carer Payment, Service Pension and the Seniors Supplement will all receive assistance with the costs of the carbon price.

Age pensioners and self-funded retirees have worked hard all their lives to build our nation, so the Gillard Government is determined to provide cost of living help as we go about cutting carbon pollution.

The assistance the Gillard Government is providing will mean senior Australians can do their bit to tackle climate change while also looking after the household budget.

## **Assistance for Pensioners**

Pensioners will receive a new Clean Energy Supplement equal to a 1.7 per cent increase in the maximum rate of pension. This is an annual increase of up to \$338 for singles and \$510 for couples combined.

Pensioners will receive lump sum advance payments of up to \$250 for a single pensioner before the carbon price begins, to make sure they have extra money in their pockets to help meet price impacts.

For pensioners, this advance payment will be equivalent to nine months – or in other words, about three quarters – of the extra annual payment.

The advance payment will be made in May and June 2012. Regular payment of the Clean Energy Supplement will begin in March 2013. The assistance will be permanent and will rise over time through indexation.

The Government will review the adequacy of assistance each year and will increase it further if necessary.

## **Assistance for Self-funded retirees**

Self-funded retirees who hold a Commonwealth Seniors Health Card will benefit from the same assistance as pensioners, including the lump sum payment. They will receive an annual increase of up to \$338 for singles and \$510 for couples combined and will also receive the first 9 months of assistance as a lump-sum advance payment.

Pensioners and seniors who have income from work or investments may also receive additional benefit from tax cuts.

All taxpayers earning up to \$80,000 a year will get a tax cut, with most getting a cut of at least \$300.

## **Essential Medical Equipment Payment**

The Government understands that some people have high electricity costs due to their use of essential medical equipment, such as those using a dialysis machine or other life-support equipment at home.

Around 110,000 Australians who hold a Commonwealth concession card and who rely on certain medical equipment will be eligible for this payment. These Australians will receive an annual cash payment of \$140 a year, in addition to their other assistance, which will cover the average electricity price increase from the use of their medical equipment due to the carbon price. For more information, see the fact sheet on essential medical equipment.

## **Support for aged care residents and their providers**

Arrangements will be introduced to ensure that assistance is shared fairly between aged care residents and providers.

Aged care providers bear many costs for their residents, including electricity, and will receive around half of the assistance paid through the age pension. Age pensioners living in aged care will receive the balance of the payment to help them with increases in their other costs of living. For more information, see the fact sheet on aged care residents.

### **Public housing tenants**

Assistance is not intended to be included in state government public housing rent setting calculations, so that public housing residents get the full benefit of assistance.

**CANBERRA**  
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