

MEDIA RELEASE

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Pensioner and Newstart payments and deeming rate reductions all welcome news for older Australians

Older Australians will welcome \$750 cash payments and a reduction in deeming rates announced today in the Government's relief package announced today, the peak body for older consumers said today.

Council on the Ageing (COTA) Australia Chief Executive, Ian Yates, said the temporary payments would help Age Pension and Newstart recipients weather cost of living expenses such as higher food, energy and telecommunication bills, while the reduction in deeming rates will increase Aged Pension payments for more than 650,000 older Australians.

"The one-off payments will be a welcome relief for Australians on government support payments who are struggling to meet basic living costs," Mr Yates said.

"COTA's State of the Older Nation report found that more than half of older Australians feel the cost of living is leaving them behind.

"The \$750 payment will help all pensioners with buying essentials that many Aged Pensioners are missing out on, and the cut in the deeming rate will help those affected cope better with low interest rates.

Under the new deeming rate arrangements Age Pension recipients whose cash assets are assessed through deemed interest income could see up to \$62 extra a fortnight for couples and up to \$50 a fortnight for singles.

Mr Yates said the temporary payment to Newstart recipients would provide welcome relief for people surviving on as little as \$40 a day – but it does not replace the urgent need for a permanent raising of the Newstart rate.

"Let's not forget that more than half of the 680,000 Australians receiving Newstart are older than 45, with one in four older than 55. They need a long term measure that will ensure they do not continue to go further and further into poverty for years until pension age," Mr Yates said.

"A one-off payment is a welcome temporary relief, but it's only 10 weeks worth of the at least \$75 per week COTA is calling on the Government to permanently raise the Newstart rate by.

"We do however welcome the waiving of the waiting period so that casual employees requiring Newstart income can get instant access to support, rather than having to wait the usual number of weeks before financial support can be provided. The liquid asset waiting period should be permanently abolished. "

Mr Yates said older people who have been most at risk from COVID 19 would also welcome yesterday's commitment to provide bulk billing via GP phone hook ups, as well as pop up clinics to reduce the risk of infection.

He said COTA would continue to work with the Government to ensure appropriate information is available for older Australians and people visiting loved ones in residential aged care.

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