



SENATOR THE HON ANNE RUSTON

Minister for Families and Social Services
Manager of Government Business in the Senate

MEDIA RELEASE

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Cuts to deeming rates a cash boost for about 1 million Australians

About 1 million Australians will benefit from a \$600 million boost across the next four years following the Morrison Government's decision to cut deeming rates.

Minister for Families and Social Services Senator Anne Ruston said the changes would benefit about 630,000 age pensioners and almost 350,000 people receiving other payments.

"The lower deeming rate will decrease from 1.75 per cent to 1.0 per cent for financial investments up to \$51,800 for single pensioners and \$86,200 for pensioner couples. The upper deeming rate will be cut from 3.25 per cent to 3.0 per cent for balances over these amounts," Minister Ruston said.

"It will mean more money in the pockets of older Australians. Under the new rates age pensioners whose income is assessed using deeming will receive up to \$40.50 a fortnight for couples, \$1053 extra a year, and \$31 a fortnight for singles, \$804 a year."

The extra money will start flowing through into peoples bank accounts from the end of September in line with the regular indexation of the pension and will be backdated to July 1.

"The decision shows the Morrison Government has listened to and acted on the concerns expressed by older Australians who receive a part pension," Minister Ruston said.

"While 75 per cent of aged pensioners are not affected by deeming this decision recognises that it is an important issue for those who are."

"Changes to the deeming rate will also benefit people receiving other income tested payments including the Disability Support Pension and Carer Payment, and income support allowances and supplements such as the Parenting Payment and Newstart."

"As Minister I made it a priority to be thoroughly informed on this issue to make sure that any decision made on deeming rates was appropriate and reflected the current returns on financial investments."

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