

Nick Xenophon MP Supports The Benevolent Society's #FixPensionPoverty Campaign

26 March 2018 – The Benevolent Society thanks Rebekha Sharkie MP, member for Mayo, South Australia, a member of Nick Xenophon Team, for introducing a motion in the House yesterday supporting The Benevolent Society's initiatives made after its introduction of *The Adequacy of the Age Pension* to Fix Pension Poverty in September 2016.

Ms Sharkie said in her speech today: "I have always struggled to describe age pension payments as welfare, but I do recognise the critical role that the age pension has in lifting older Australians out of poverty... The Benevolent Society is spearheading a Fix Pension Poverty campaign to provide a fair and decent standard of living for older Australians."

She acknowledged that her electorate, Mayo, in South Australia is the oldest electorate in South Australia and the eighth oldest electorate in the country, with 22.3% – over 1 in 5 people – over 65 years old.

She added, "I believe that the base rate of the age pension should be subject to the judgement of an independent tribunal and review, to consider, in depth, whether at its current level it is adequate enough to keep age pensioners secure and in a position to prosper."

Ms Sharkie introduced a motion that called on the government to

- Establish an independent tribunal to assess the base rate of the pension and determine the best mechanism for annual review
- Increase the maximum rate of Commonwealth Rent Assistance to reduce the gap between aged pensioners who are home owners and those who are renters
- Establish a round table to review services provided to age pensioners

In addition to Ms Sharkie's initiative, two Labor MPs, Graham Perrett and Chris Hayes, rose to speak and support the motion. The subsequent vote **[insert result]**.

Ms Sharkie said she was looking forward to the government's response and calls on Minister of Social Services The Hon Dan Tehan to take action.

The Benevolent Society’s Executive Director Strategic Engagement, Research and Advocacy Dr Kirsty Nowlan said: “It’s heartening to see our friends in Parliament support the campaign to address the poverty experienced by too many people on the Age Pension, but disappointing to see the motion opposed by other Members.

“Our research showed that older Australians are being forced to choose between mashing food or finding money to see dentist because they are struggling for money. We heard from others that are turning the hot water off in winter because they can’t afford their energy bills. This is an embarrassment in a rich country like Australia.”

The Benevolent Society commends Rebekha Sharkie for bringing these issues to Parliament, and for advocating changes that would make a real change to the lives of many older Australians. We hope to keep working with the Member for Mayo and other friends in the Parliament to see the Government implement these recommendations.

About the Age Pension in Australia

- The Age pension is a universal means-tested payment. It is *universal* in that eligibility does not depend upon prior contributions.
- As of September 2017 (latest available data):
 - 1,552,340 full rate age pension recipients
 - additional 931,669 part age pension recipients
- More than 10 per cent of the older Australian population receives the Age Pension
- It is the **primary source of income for over six per cent** of the population
- The **qualifying age is going up from 65 to 67 over the next 7 years**
 - In 1 July 2017, it increased from 65 years to 65 years and six months.
 - It will increase by six months every two years, reaching age 67 by 1 July 2023
 - The Liberal Party policy is to increase the qualifying age further to age 70, but this has not been passed by the Parliament.

Current amount of the Age Pension

Pension rates per fortnight	Single	Couple each
Maximum basic rate	\$826.20	\$622.80

Maximum Pension Supplement	\$67.30	\$50.70
Energy Supplement	\$14.10	\$10.60
TOTAL	\$907.60	\$ 684.10
Including max CRA (Commonwealth Rent Assistance)	\$ 1042.4	\$ 747.60