

From: Peter Thorne
Sent: Saturday, 20 March 2010 9:56 AM
To: VVAA Brisbane Nth
Subject: Veteran pension rates to increase

VETERAN PENSION RATES TO INCREASE

Minister for Veterans' Affairs Alan Griffin said more than 356,000 veterans, war widows and widowers and their dependents will be receiving increases in their pensions and other income support payments from today, through indexation.

Mr Griffin said the Government's pension increases in September and fairer indexation system is delivering a well-deserved boost to those in the veteran community who are reliant on income support pensions.

"Today's increase sees single service pensioners receive an extra \$29.20 a fortnight. This, combined with the Government's pension increases in September, has increased their pensions by around \$100 per fortnight, bringing their pension to \$701.10.

"Couples on the service pension now receive an extra \$44 a fortnight, bringing their combined pension to \$1057.

"Totally and Permanently Incapacitated (TPI) pensioners receive an extra \$47.20 and will now receive \$1069.30 a fortnight.

"Single TPI pensioners who also receive maximum rate income support pensions will receive \$1770.40 a fortnight or \$2126.30 for a couple a fortnight. This is an increase of \$76.40 for singles and \$91.20 for a couple.

The new pension rates are effective from today, paid from pension payday on 25 March 2010.

Pensions are indexed on 20 March and 20 September each year.

Pensions are indexed twice a year to the highest of three measures: the consumer price index (CPI), the pensioner living cost index, and growth in male total average weekly earnings (MTAWE). The Government's Pension Reforms increased the effective benchmark for singles from 25 per cent to 27.7 per cent of MTAWE.

The pension increases have been driven by an effective 4.6 per cent increase in the male total average weekly earnings while the cost of living has only risen by 1.5 per cent.

Deeming rate changes

As the economy recovers from the global economic crisis, rates of return on investments are also beginning to increase.

As a result, the deeming rates, which are used to assess income from a range of financial investments held by pensioners and other income support recipients, will also increase on 20 March from the record low levels during the global economic crisis.

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The lower deeming rate will increase from two per cent to three per cent for financial investments up to \$42,000 for single pensioners or \$70,000 for a couple.

The deeming rate will increase from three per cent to four and a half per cent for balances over these amounts.

New rates

Service pension	Old rate	Rate as of 20 March	Increase
Single person	\$671.90	\$701.10	\$29.20
Couples (each)	\$506.50	\$528.50	\$22.00
Couples (combined)	\$1013.00	\$1057.00	\$44.00
War widow's pension	\$679.00	\$709.60	\$30.60
Income support supplement	\$202.50	\$211.90	\$9.40
Totally and Permanently Incapacitated (Special Rate Pensioners)	\$1022.10	\$1069.30	\$47.20
Intermediate rate disability pension	\$693.50	\$725.50	\$32.00
Extreme Disablement Adjustment (EDA)	\$564.10	\$590.20	\$26.10
100 per cent disability pension	\$363.10	\$379.90	\$16.80
10 per cent disability pension	\$36.31	\$37.99	\$1.68
Wholly dependent partners death benefit (weekly)	\$307.90	\$322.10	\$14.20

For inquiries on pensions please contact DVA on 133 254.