



SENATOR THE HON ANNE RUSTON

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

MEDIA RELEASE

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Deeming rate cut to boost payments for 900,000 Australians

About 900,000 Australians will see an increase to their fortnightly social security payments following the Morrison Government's decision to reduce deeming rates in response to changing economic conditions.

Minister for Families and Social Services Anne Ruston said this was an important change for the 565,000 Age Pensioners and 323,000 other payment recipients with financial assets who were affected by deeming rates.

"The Government is absolutely committed to ensuring the deeming rate is fair and is a reasonable reflection of the state of the market," Minister Ruston said.

"The lower deeming rate will be cut from 1.0 per cent to 0.5 per cent for financial investments up to \$51,800 for single pensioners and \$86,200 for pensioner couples.

"The upper rate, which only impacts about 40 per cent of payment recipients with deemed assets, will decrease from 3.0 per cent to 2.5 per cent.

"Through this change and my July 2019 cut to deeming rates the Government has boosted income support payments by more than \$1.2 billion to ensure Australians with cash assets who rely on social security can maintain their quality of life."

Under the new rates payment recipients whose income is assessed using deeming could receive up to \$62 a fortnight for couples, \$1612 extra a year, and up to \$50 a fortnight for singles, \$1300 a year.

On average, affected Age Pensioners would receive an additional \$8.42 a fortnight, \$219 a year. The extra money will start flowing through into peoples bank accounts from May 1.

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