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Deeming rate reduction & relief package help ease financial pain for older South Australians

Council on the Ageing (COTA) SA chief executive Jane Mussared has welcomed today's announcement that the Federal Government, as part of its relief package, is providing temporary payments for older people and reducing deeming rates.

"Thousands of older South Australians are struggling to make ends meet as the cost of living continues to increase," Ms Mussared said.

"The \$750 payment to Age Pension and Newstart recipients will provide older South Australians with welcome relief.

The \$750 is however a one-off payment and does not address the need to raise the Newstart rate.

"Ingrained ageism and issues of unemployment and underemployment means that older South Australians are increasingly relying on Newstart not as a gap payment but as their sole income until they reach retirement or are eligible for an age pension."

Ms Mussared said that as many as 50,000 older South Australians could benefit from the reduction in deeming rates that will help them 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," she said.

"This is important for them and good for the SA economy. The next step will be to take the review of deeming rates out of the political sphere and implement a regular, fair and transparent review."

Ms Mussared said numerous global factors were impacting older South Australians.

"It has been wrongly assumed that older people are receiving significantly higher returns on their savings which has been unfairly impacting the pension they receive."

COTA SA is an older people's movement and the peak body representing the rights, interests and futures of more than 633,000 older South Australians aged over 50.

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