Senate Community Affairs Committee ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

Social Services Portfolio

2014-15 Budget Estimates Hearings

Outcome Number: 3 Question No: 457

Topic: Residential and Flexible Care - Pension indexation changes

Hansard Page: Written

Senator Polley asked:

Under the previous Government, the percentage of pension deduction was adjusted both when the pension reforms began and when the Clean Energy Supplement began, to ensure that aged care residents and providers shared fairly in the payment increases.

- Will there be any adjustment to this percentage of the accommodation rates as a result of the slowing in the growth of pensions?
- Will there be any adjustment to this percentage by the Government, as a result of the permanent freezing of the Energy Supplement?

Answer:

The Government has not announced any changes to the calculation of the Basic Daily Fee which is set at 85% of the single rate of the basic Age Pension. Any future adjustment to this fee is a policy decision for the Government.