

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
Social Services Portfolio
2014-15 Budget Estimates Hearings

Outcome Number: 1

Question No: 531

Topic: Indexing Pensions and Non-Pension Payments to CPI

Hansard Page: Written

Senator Brown asked:

Can the Department indicate how much a person on the age pension for this period of time (the average duration of a person on a age pension) is likely to receive over this period:

- a. Under the current indexation arrangement?
- b. Under a CPI indexation arrangement?

Answer:

This is not a calculation that the department would do as it would be subject to fluctuation from a range of sources. At each indexation point there would be variations to the parameters used for indexation. There are also changes to individuals' circumstances over their duration on payment as their pension rate is affected by a range of factors, including changes in marital status, housing tenure and income and assets levels. Average duration will also change with social and economic changes in the economy, including financial returns and with policy changes.