

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2017-18 Budget Estimates Hearings

Outcome Number: 1.6 Income Support for Seniors

Question No: SQ17-000350

Topic: Pension Eligibility

Hansard page: 123

Senator Murray Watt asked:

How many people currently in the workforce will be affected by increasing the pension age to 70?

Has the department done any modelling on the number of Australian who will be affected by this change?

How did the department arrive at that figure and the steps along the way?

Answer:

In relation to the increases in the Age Pension qualification age from 65 to 67 and then from 67 to 70, Australian resident population data prepared by the Australian Bureau of Statistics (ABS) is used to produce projected recipient numbers onto the social security and welfare payments administered by the Department of Social Services. ABS projected population data based on age, sex, fertility, mortality and migration are used to determine projected take-up onto payments. Modelling did not include workforce status.

Subject to the passage of legislation, the Age Pension qualifying age will increase by six months every two years from 1 July 2025, reaching 70 years by 1 July 2035. If passed, this further change to the Age Pension qualifying age from 67 to 70 years would affect people born on or after 1 July 1958.

Table: Estimated recipients impacted

	2025-26	2026-27	2027-28	2028-29
Recipients	51,300	67,942	120,340	134,958

Note: Some people will access other income support payments.