

Reference: 123 456 789A



Miss Firstname Surname
8 Test St
SUBURB VIC 3000



Australian Government



8 September 2009

Your Disability Support Pension

Regular Payment from payment date 15/09/2009

Disability Support Pension	\$
Plus Pharmaceutical Allowance	
Plus Youth Disability Supplement	

Total	\$
--------------	----

INFORMATION USED FOR CALCULATING YOUR REGULAR PAYMENT


Total Assets \$

▶ IMPORTANT INFORMATION

- Information about changes to Australian Pension payments announced in the 2009-10 Federal Budget is enclosed with this letter. Some of the changes have affected your payment.
- You do not have to do anything about these changes unless Centrelink contacts you.
- Transitional arrangements have been put in place to make sure that customers are not disadvantaged by the new rules. Centrelink has calculated what your pension payment would be at 20 September 2009 under both the new rules and the transitional rules and is paying you at the higher rate.
- This is a notice of decision made under social security law. Information about what to do if you think this decision is wrong is on the back of this letter.
- If you have any questions or need more information, please contact us on the number shown in the **Contact information** section of this letter.

Contact information

If you have any questions about this letter please ring:

 **13 2300** OR
13 1202 for Multilingual Services

Monday — Friday 8.00 am — 5.00 pm
(Please quote reference number 123 456 789A)



Your local Centrelink Office:



Office Hours:
Monday to Friday 8.00am — 5.00pm

WHAT YOU HAVE TO TELL US ABOUT

You must tell us within 14 days (28 days if residing outside Australia) if any of the things listed below happen, or are likely to happen. If you get a fortnightly Reporting and Income Statement, report your earnings or changes in circumstances on your reporting day. You can tell us by writing to us or by calling us, or if you are in Australia, you can come in and talk to us at any of our offices. This is an information notice given under social security law.

If your income changes

(income means your gross income before you pay any tax, or if you are self-employed, your net profits after allowable deductions), that is if:

- you start work for 15 hours a week or more
- your income, not including financial investments or maintenance, increases
- you start work or go back to work
- you stop work
- the number of hours you work changes
- you start any form of profession, trade, business or self-employment
- you buy or sell any shares or managed investments
- you receive any bonus shares
- you receive a lump sum amount of money or one-off payment from any source.

If you receive any compensation:

- you must tell us within 7 days if you become aware that you will receive or have received compensation.

If your assets change:

- if your assets other than financial investments increase
- if your financial investments increase by at least \$1000
- if you start any new accounts
- if you give away assets as gifts or sell them for less than their value
- if your assets change substantially.

You must also tell us if:

- you marry; are in or commence a registered or de facto relationship (either opposite or same-sex); reconcile with a former partner or start living with someone as their partner
- you move into or out of a nursing home, hostel or retirement village
- you or any of your dependants are:
 - charged with an offence and in custody on remand
 - in gaol after being convicted of an offence
 - in a psychiatric institution
- you are involved in, or receive a benefit from, a private trust or private company
- the nature of your involvement in, or the benefit you derive from, a private trust or private company changes

IF YOU ARE PLANNING TO TRAVEL OUTSIDE AUSTRALIA:

You must let us know within 14 days of making the decision to go so we can check whether you are still entitled to your pension, and any additional payments you may be receiving, while you are away. If you do not tell Centrelink about your departure, your payment may stop while you are outside Australia. Please note you must tell us if you go, or are planning to go to Norfolk Island.

IF YOU ARE LIVING OUTSIDE AUSTRALIA - PLEASE NOTE:

- You are allowed 28 days to let us know of any changes in your circumstances
- All amounts shown are in Australian dollars
- If you are paid by direct deposit, you must tell us before you close or change your bank account
- You must also tell us if you return to Australia or go to another country. Please tell us at least 6 weeks before you travel so we can let you know how it might affect your payment.

IF YOU ARE ALREADY TRAVELLING OUTSIDE AUSTRALIA:

You must tell us if your travel plans change and you no longer intend to return to Australia on the date you advised. You must also tell us when

If you change your address:

Let us know straight away. If your mail is returned to us because you are not at your address your payments may stop.

YOUR RIGHTS

What to do if you think this decision is wrong

If you do not agree with the decision, please contact us or come in and see us. We will reconsider your case and change the decision if appropriate. If you still do not agree with the decision, you can ask for an Authorised Review Officer to look at it. The Authorised Review Officer is an experienced officer who has not been involved in your case before. They can change the decision if it is wrong or, if they agree with the decision they can tell you how to appeal to the Social Security Appeals Tribunal. **Most decisions in relation to the Northern Territory Income Management measure are not able to be reviewed by the Social Security Appeals Tribunal.** Both the Authorised Review Officer review and the Social Security Appeals Tribunal appeal are free. It is important to ask for the decision to be reviewed as soon as possible. This is because if you do not ask for the decision to be reviewed within 13 weeks of being told about it, any change to the decision, or any back payment, might only be able to take effect from the date you ask. If you are asking for a decision about a debt or the recovery fee, or both, to be reviewed, there is no time limit. It is still important to ask for the decision to be reviewed as soon as possible as you may have to pay the penalty or pay back the debt in the meantime.

Your right to privacy

Your personal information is protected by law and can only be released to someone else in special circumstances, where commonwealth legislation authorises or requires, or where you give permission. If you have concerns about your personal information, contact us or come in and see us. We will advise you of your rights to see and amend your information under the Freedom of Information Act 1982. If you are still not satisfied you can contact the Privacy Commissioner whose 1300 number is in your local phone book.

If you want to comment on our service

If you wish to comment on the quality of service you received from us, you can talk to our Customer Relations staff on 1800 050 004. If you have contacted our Customer Relations staff with a concern and they have not been able to resolve it to your satisfaction, you can take the matter further by contacting the Commonwealth Ombudsman whose 1300 number is in your local phone book. If you have a hearing or speech difficulty you can contact the Customer Relations unit using a Teletypewriter (TTY) call 1800 000 567.

More information

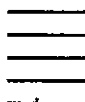
If you have any questions or would like more information, please call us on the number shown on this letter.



THE HON JENNY MACKLIN MP
Minister for Families, Housing,
Community Services and Indigenous Affairs



THE HON CHRIS BOWEN MP
Minister for Human Services
Minister for Financial Services,
Superannuation and Corporate Law



Dear Miss Surname

Changes to your pension

In the 2009 - 10 Federal Budget presented on 12 May 2009, the Australian Government announced a number of changes to Australian pensions including increased and simplified payments, new indexation arrangements and changes to the income test. These changes form part of the Secure and Sustainable Pension Reform package.

What you need to do

Enclosed is a fact sheet containing information about a number of changes, most of which have effect from 20 September 2009. Please take the time to read this material so that you will understand the changes to your pension. **You do not need to do anything to make these changes happen.**

A separate letter from Centrelink is included giving you notice of a decision under the social security law about your social security payment and your notification requirements.

Information you should know

If you have complex financial arrangements and are not sure how these changes will affect you personally, you can request to talk to a Financial Information Service Officer.

If you would like to do this or have any other questions about the changes, please call Centrelink on the number shown on the attached letter, or go to the 'Secure and Sustainable Pensions' link at www.centrelink.gov.au

Yours sincerely

The Hon Jenny Macklin MP
Minister for Families, Housing,
Community Services and Indigenous Affairs

The Hon Chris Bowen MP
Minister for Human Services
Minister for Financial Services,
Superannuation and Corporate Law

Secure and Sustainable Pension Reform

Changes to Australian Pension payments

The changes outlined within this fact sheet form part of the Secure and Sustainable Pension Reform package most of which will have effect from 20 September 2009. These changes will apply to customers in receipt of Age Pension, Disability Support Pension, Wife Pension, Widow B Pension, Carer Payment, Department of Veterans' Affairs (DVA) Service Pension and Income Support Supplement.

Please note that different arrangements apply to people living overseas.

1. An increase to the pension rate for all pensioners

- The maximum single pension rate will increase by \$65 per fortnight. This includes an increase of \$60 in the base pension rate and a \$5 increase to the pension supplement. Full-rate single pensioners will receive the full increase. Part-rate single pensioners will receive a partial increase, with the minimum increase being \$20.20 per fortnight.
- Coupled pensioners will receive an increase of \$10.15 each per fortnight, whether they are on full or part-rate pensions. This increase will be paid as part of the pension supplement.
- These increases will be paid on top of an indexation increase due to take effect from 20 September 2009.
- New indexation arrangements for the base pension apply from 20 September 2009 to better reflect changes in pensioners' living costs, and a new higher benchmark to average wages will be introduced.

2. Income test changes

- There will be an increase in the income test taper rate. The income test taper rate is the rate at which income in excess of the income test free area reduces the pension. This will increase from 40 cents in the dollar to 50 cents in the dollar. People receiving a pension at 19 September 2009 will not be disadvantaged due to these changes.
- A new transitional rate will apply to protect existing pensioners who would otherwise have had a reduction in their payment. These pensioners will receive an increase in their pension and will remain on this transitional rate until they are no longer worse off under the new rules.
- This new transitional rate will be subject to Consumer Price Index (CPI) increases in March and September.
- The current additional income test free area for customers with dependent children will be removed.

3. Introduction of the Work Bonus

- The Work Bonus will apply to pension customers over Age Pension age who receive employment income providing they are not being paid a transitional rate.
- The purpose of the Work Bonus is to provide an incentive for senior workers to be in the workforce by reducing the amount of employment income that is included under the income test. Pensioners of Age Pension age will move to having their employment income assessed fortnightly.
- Only half of the first \$500 of gross fortnightly income from employment will be included in the income test. If you have a partner, the Work Bonus applies to each member of a couple that meets the eligibility criteria. The current income test free area that applies to your situation will remain and be in addition to this concession.

For example, if you have gross employment income of \$300 a fortnight, only \$150 per fortnight would be counted as income. If you have gross employment income of \$600 a fortnight, \$250 + \$100 would be counted as income. The income test free area will apply as usual.

4. The Pension Supplement - merging various pension add-ons into a single supplement

- The Pension Supplement will combine the range of supplements and allowances that have been added to the basic pension over recent years, and will be further increased for both singles and couples. It will include the value of the fortnightly GST Supplement and Pharmaceutical Allowance, as well as the quarterly Utilities Allowance and Telephone Allowance at the higher internet rate.

For example, add-ons for a single pensioner per fortnight prior to 20 September 2009:

GST Supplement	\$19.50
Pharmaceutical Allowance	\$6.00
Telephone Allowance (\$34.60 per quarter)	\$5.32
Utilities Allowance (\$129.70 per quarter)	\$19.95
TOTAL Add-ons per fortnight	\$50.77

From 20 September 2009, the Pension Supplement for a single pensioner will increase to **\$56.10** per fortnight, providing an overall increase of \$5.33 a fortnight (includes \$5 from the Pension Reform changes and 33 cents from indexation).

Add-ons for a pensioner couple combined per fortnight prior to 20 September 2009:

GST Supplement	\$32.60
Pharmaceutical Allowance	\$6.00
Telephone Allowance (\$34.60 per quarter)	\$5.32
Utilities Allowance (\$129.70 per quarter)	\$19.95
TOTAL Add-ons per fortnight	\$63.87

From 20 September 2009, the Pension Supplement for a pensioner couple combined will increase to **\$84.60** per fortnight, providing an overall increase of \$20.73 a fortnight combined (includes \$20.30 from the Pension Reform changes and 43 cents from indexation).

- The Pension Supplement will appear on your statement as an addition to the fortnightly pension. Pensioners receiving the transitional rate will have the value of the Pension Supplement included in their transitional rate amount. It will not show as a separate amount.
- The Pension Supplement will include a 'minimum component'. Provided you remain eligible for at least some pension under the means test, you will be paid at least this minimum component per fortnight. This minimum component, per fortnight, will be \$30.20 for a single pensioner and \$45.60 combined for a pensioner couple.
- **From 1 July 2010**, pensioners will have the option to receive the minimum component of the supplement quarterly instead of fortnightly. Further information will be available in an article in *News for Seniors* next year.

The last quarterly payments of Utilities Allowance and Telephone Allowance will be paid soon after 20 September 2009.

5. A new annual Carer Supplement

- The Carer Supplement commenced in June 2009 and will be paid annually each July from 2010.
- The Carer Supplement replaces all previous one-off bonuses for carers with a legislated permanent entitlement to an annual lump-sum payment.
- The supplement provides carers with more certainty about their future financial circumstances, allowing them to budget and plan their household finances and expenditures.
- A \$600 Carer Supplement will be paid to recipients of Carer Allowance for each person being cared for. An additional \$600 Carer Supplement will also be paid to:
 - recipients of Carer Payment
 - recipients of both Wife Pension and Carer Allowance
 - recipients of both Department of Veterans' Affairs Partner Service Pension and Carer Allowance
 - recipients of Department of Veterans' Affairs Carer Service pension
- The existing Child Disability Assistance Payment is unchanged.

6. Enhanced Advance Payment arrangements

- From 1 July 2010 there will be a substantial increase in the amount of pension that can be advanced, and multiple advances will be allowed each year.

7. Increase in Age Pension age

- The qualifying age for the Age Pension will be gradually increased from 65 to 67. This increase will commence from 1 July 2017. The new Age Pension age of 67 will be fully effective by 1 July 2023. The change will not affect current age pensioners and it will not affect people born before 1 July 1952.

More information

For more information about how these changes may affect you, please go to the 'Secure and Sustainable Pensions' link at www.centrelink.gov.au

Information about how to call Centrelink can be found on the separate letter from Centrelink.