

Fact Sheet

25 September 2007

Age Pension increase

For senior Australians to live in dignity not poverty, Hear Our Voice calls for an increase in the age pension by 30%. This means:

- increasing the single age pension from \$268.85 to \$350 a week
- increasing the couples age pension from \$224.55 to \$292 per person a week

Hear Our Voice recommends that this increase to the age pension, for both single and couple payments, should increase by 10 per cent each financial year in real terms for the next three years.

The funding of the 30 per cent increase over the next three years would be paid for from budget surpluses.

It is estimated the 30 per cent increase will increase Government pension payments by \$2.39 billion in FY 08/09, \$4.78 billion in FY 09/10 and \$7.17 billion annually from FY 10/11.

Retirement Fund

Hear Our Voice proposes the establishment of a 'Retirement Fund' to pay for the increase in the age pension over the medium to long term. This fund is to be managed and financed in a similar manner to the Future Fund.

The Retirement Fund growth forecasts are eight percent annually in keeping with growth forecasts for the Future Fund.

It is proposed to build the Retirement Fund to \$40 billion over the next 10 years to fund pension payment increases. This money provided to the Retirement Fund should come from budget surpluses and other Government earnings.

Media Note:

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