



Household Assistance – Carers and People with Disability

More than one million Australians with disability and carers will receive household assistance through their Disability Support Pension or Carer Payment. This will cover at least the expected average increase in living costs that results from the introduction of a carbon price.

Other people with disability and carers who do not receive income support may receive household assistance by paying less tax on their private income.

In addition, concession card holders (or their carer) with high electricity use due to a medical condition may be eligible for additional assistance.

Pension increases

Recipients of the Disability Support Pension and Carer Payment will be eligible to receive household assistance that at least offsets the expected average cost of living impact under a carbon price.

All pensioners will receive assistance equivalent to a 1.7 per cent increase in the maximum rate of the pension. This is an increase of up to \$338 for singles, and \$255 for each member of a couple per year.

The increase will be delivered as a new, permanent Clean Energy Supplement, which will be paid in line with regular payment cycles from 20 March 2013. The Clean Energy Supplement will be indexed by the Consumer Price Index to ensure its value is maintained over time, and is in addition to the existing Pension Supplement.

Pensioners will also receive a separate Clean Energy Advance, which will be paid to pensioners as an up-front lump sum payment of \$250 for a single and \$190 for each eligible member of a couple. This payment will be provided to pensioners in May-June 2012 to help meet additional costs for the nine months from 1 July 2012 to when the first instalment of the new Clean Energy Supplement is paid from March 2013.

The payments will be automatic and pensioners don't need to lodge a special application.

Other payments

From 1 July 2012, people with high home energy costs due to their reliance on essential medical equipment will also be able to claim an annual Essential Medical Equipment Payment of \$140 through Centrelink or the Department of Veterans' Affairs. This extra assistance is designed to ensure they do not incur extra costs for using their medical equipment after the introduction of a carbon price. To be eligible, a person must meet particular medical criteria and hold a relevant concession card, for example, a Health Care Card, a Pensioner Concession Card, a Commonwealth Seniors Health Card or a DVA Gold Card. The person claiming the payment must either be using the medical equipment or be the carer of the person using the equipment.

Assistance through the personal tax system

The Government will assist households through tax cuts from 1 July 2012. All taxpayers earning up to \$80,000 will get a tax cut, with most getting a cut of at least \$300. These tax cuts will be delivered by a more than threefold increase in the statutory tax free threshold from \$6,000 to \$18,200, and an associated reduction in the low income tax offset (LITO) to \$445.

Further tax cuts will be provided when Australia moves to an emissions trading scheme in 2015-16.

For more information, see the fact sheet on reforms to the personal tax system.

Further Information

For further information, go to the Clean Energy Futures website at www.cleanenergyfuture.gov.au or call 1800 057 590.