

CPI-only indexation - cameos

Single pensioners

Jim is a single, maximum rate pensioner.

Under this measure, Jim's rate of pension will continue to increase twice a year. Jim's purchasing power will be maintained through indexation of his pension to the Consumer Price Index.

- In the first year, 2017-18, Jim's annual pension rate is projected to increase by around \$580.
 - Under previous arrangements, it is projected that his annual pension rate would have increased by around \$656.
- By 2020-21, Jim's annual pension will increase by around \$555.
 - Under previous arrangements, his annual pension rate would have increased by around \$758.

Partnered pensioners

Sue and Bill have been married for 40 years. They each receive the maximum rate of Age Pension.

Under this measure, Sue and Bill's rate of pension will continue to increase twice a year. Sue and Bill's purchasing power will be maintained through indexation of rates to the Consumer Price Index.

- In the first year, 2017-18, it is projected that Sue and Bill will each receive an annual pension increase of around \$437.
 - Under previous arrangements, it is projected that they would have each received an annual increase of around \$495.
- By 2020-21, it is projected Sue and Bill will each receive an annual pension increase of around \$419.
 - Under previous arrangements, they would each have received a projected annual pension increase of around \$571.

Parenting Payment Single recipients

Kim is a single parent with a 10 month old baby. Kim receives the maximum rate of Parenting Payment Single.

Under this measure, Kim's rate of Parenting Payment Single will continue to increase twice a year. Kim's purchasing power will be maintained through indexation of rates to the Consumer Price Index.

In the first year, 2014-15, Kim's projected annual payment rate will be only \$6 less than under previous indexation arrangements.

By 2020-21, it is projected Kim's annual payment rate will increase by around \$497.

- Under previous arrangements, Kim would have received a projected annual payment increase of around \$682.

Fortnightly figures

Previous indexation			
Fortnightly Average rate	Single Pension	Partnered Pension	PPS
2014-15	\$775.54	\$584.60	\$699.96
2015-16	\$796.56	\$600.43	\$718.89
2016-17	\$821.81	\$619.47	\$741.69
2017-18	\$847.04	\$638.49	\$764.46
2018-19	\$874.16	\$658.96	\$788.98
2019-20	\$902.34	\$680.20	\$814.43
2020-21	\$931.49	\$702.15	\$840.68

Previous indexation			
Fortnightly Average rate increase	Single Pension	Partnered Pension	PPS
2014-15			
2015-16			\$18.93
2016-17			\$22.80
2017-18	\$25.23	\$19.02	\$22.77
2018-19	\$27.12	\$20.47	\$24.52
2019-20	\$28.18	\$21.24	\$25.45
2020-21	\$29.15	\$21.95	\$26.25

New Indexation			
Fortnightly Average rate	Single Pension	Partnered Pension	PPS
2014-15	\$775.54	\$584.60	\$699.73
2015-16	\$796.56	\$600.43	\$716.38
2016-17	\$821.81	\$619.47	\$734.90
2017-18	\$844.10	\$636.28	\$752.76
2018-19	\$864.37	\$651.59	\$770.88
2019-20	\$885.26	\$667.30	\$789.49
2020-21	\$906.60	\$683.42	\$808.61

New Indexation			
Fortnightly Average rate increase	Single Pension	Partnered Pension	PPS
2014-15			
2015-16			\$16.65
2016-17			\$18.52
2017-18	\$22.29	\$16.81	\$17.86
2018-19	\$20.27	\$15.31	\$18.12
2019-20	\$20.89	\$15.71	\$18.61
2020-21	\$21.34	\$16.12	\$19.12

Forgone increase in fortnightly rate	Single Pension	Partnered Pension	PPS
2014-15			\$0.23
2015-16			\$2.28
2016-17			\$4.28
2017-18	\$2.94	\$2.21	\$4.91
2018-19	\$6.85	\$5.16	\$6.40
2019-20	\$7.29	\$5.53	\$6.84
2020-21	\$7.81	\$5.83	\$7.13
Cumulative fortnightly forgone increase	\$24.89	\$18.73	\$32.07

Annual figures

Previous indexation			
Annual Average rate	Single Pension	Partnered Pension	PPS
2014-15	\$20,164.04	\$15,199.60	\$18,198.96
2015-16	\$20,710.56	\$15,611.18	\$18,691.14
2016-17	\$21,367.06	\$16,106.22	\$19,283.94
2017-18	\$22,023.04	\$16,600.74	\$19,875.96
2018-19	\$22,728.16	\$17,132.96	\$20,513.48
2019-20	\$23,460.84	\$17,685.20	\$21,175.18
2020-21	\$24,218.74	\$18,255.90	\$21,857.68

Previous indexation			
Annual Average rate increase	Single Pension	Partnered Pension	PPS
2014-15			
2015-16			\$492.18
2016-17			\$592.80
2017-18	\$655.98	\$494.52	\$592.02
2018-19	\$705.12	\$532.22	\$637.52
2019-20	\$732.68	\$552.24	\$661.70
2020-21	\$757.90	\$570.70	\$682.50

New Indexation			
Annual Average rate	Single Pension	Partnered Pension	PPS
2014-15	\$20,164.04	\$15,199.60	\$18,192.98
2015-16	\$20,710.56	\$15,611.18	\$18,625.88
2016-17	\$21,367.06	\$16,106.22	\$19,107.40
2017-18	\$21,946.60	\$16,543.28	\$19,571.76
2018-19	\$22,473.62	\$16,941.34	\$20,042.88
2019-20	\$23,016.76	\$17,349.80	\$20,526.74
2020-21	\$23,571.60	\$17,768.92	\$21,023.86

New Indexation			
Annual Average rate increase	Single Pension	Partnered Pension	PPS
2014-15			
2015-16			\$432.90
2016-17			\$481.52
2017-18	\$579.54	\$437.06	\$464.36
2018-19	\$527.02	\$398.06	\$471.12
2019-20	\$543.14	\$408.46	\$483.86
2020-21	\$554.84	\$419.12	\$497.12

Forgone increase in annual rate	Single Pension	Partnered Pension	PPS
2014-15			\$5.98
2015-16			\$59.28
2016-17			\$111.28
2017-18	\$76.44	\$57.46	\$127.66
2018-19	\$178.10	\$134.16	\$166.40
2019-20	\$189.54	\$143.78	\$177.84
2020-21	\$203.06	\$151.58	\$185.38
Cumulative annual forgone increase	\$647.14	\$486.98	\$833.82