



NEWS RELEASE

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CARBON TAX PROTECTION FOR PENSIONERS WELCOMED

Australia's pensioners and lower income retirees will be fully protected against cost of living increases from the carbon price scheme announced today by the Prime Minister.

Speaking from the carbon price lock up in Canberra, COTA Australia Chief Executive Ian Yates welcomed assistance measures for pensioners and other retirees.

Ian Yates said that, based on Treasury modelling of price increases, all single retirees earning taxable income of \$50,000 or less, and couples earning up to \$95,000, would be compensated at least 120% of the costs created by carbon pricing.

Single pensioners with no other income will receive an increase of \$338 per year against estimated costs of \$204, putting them \$134 ahead. Couples will receive \$510 per year against costs of \$284, putting them \$226 ahead.

Government payments through the Clean Energy Supplement will be indexed and regularly reviewed and will be protected from state government public housing charges.

Seniors with taxable private income at the lower end will benefit substantially from tax cuts - a single retiree with \$25,000 income will be gain \$1,000 (\$338 in pension and \$662 in tax savings) against extra costs of \$281 per year, so they will end up \$719 ahead. A couple with \$40,000 in private incomes will end up \$861 ahead.

Seniors will also have the opportunity to choose products that are less carbon intensive and therefore cheaper than average and save themselves more money.

Many seniors are committed to a cleaner, more energy efficient economy because they want to leave the world a better place for their children and grandchildren. This package enables them to support and pursue that without unaffordable personal costs.

COTA Australia is the peak policy development, advocacy and representation organisation for older Australians, representing Councils on the Ageing in every State and Territory and through them over 500,000 senior Australians.

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