

Create a Pensioner Concession Card+ to target additional concessions and supports to pensioners with limited means.

Overview

- Commonwealth Concession Cards are used to provide access to subsidised services and concessions by all levels of government.
- All pensioners, regardless of their means, are eligible for the same concessions via the Pensioner Concession Card (PCC):
 - For example, a homeowning couple can have up to \$1 million (\$1,003,000) in assets (not including the principal place of residence) and receive the same concessions associated with a PCC as a couple with no assets and no home.
- There is no simple way to target additional concessions to those most in need.

WHAT ARE WE CALLING FOR?

- PCC+ holders would receive all existing PCC benefits but could receive additional concessions, e.g., higher concession rates on energy, council rates, medicines, etc.
- The Commonwealth would use existing customer data to assess PCC+ eligibility.
 - A person's income and assets (adjusted for housing wealth) are already used to determine the amount of Age Pension they receive and could be used to determine eligibility for a PCC+ based on appropriate criteria.

Budget impact

- Initially, there would be limited cost to the Federal Government in terms of administration and promotion costs associated with the new PCC+ card.
- The main cost would be associated with funding any new concession/s.
- However, because these will be targeted, the cost will be small, yet the impact significant. For example, if 20% of pensioners (500,000) were assessed as living in poverty and eligible for the PCC+, the Federal Government could use it to administer a targeted Seniors Dental Benefits Scheme (SDBS) – see Recommendation 8. If a PCC+ holder was eligible for \$500 per year for dental under the SDBS, this would cost \$250million per year. In comparison, providing the SDBS to *all* pensioners would cost \$1.25billion.

