

Carer Payment or Age Pension?



Centrelink offers payments to assist people who are caring for someone who has a severe disability or medical condition or who is frail aged. These payments are:

Carer Payment

This is an income support payment for carers who, because of the demands of their caring role, are unable to undertake substantial paid employment. It is an income and asset tested payment. It is paid to full-time carers or parents of children or adults with a severe disability or severe medical condition or who are frail aged.

Carer Allowance

This is a supplementary payment that may be available to you if you are a parent or carer who provides daily care and attention for an adult or child with a disability or medical condition or for someone who is frail aged.

Carer Allowance is not income and assets tested and may be paid in addition to wages or other payments such as Carer Payment and Age Pension.

Choosing the right payment

If you are over age pension age and you are caring for someone, you may choose to receive Carer Payment or Age Pension. There are certain rules regarding the amount of care needed and provided that must be met for Carer Payment.

Note: information about age pension age can be found on the Centrelink website at www.centrelink.gov.au or by contacting Centrelink on **13 2300**.

There can be advantages to receiving either Carer Payment or Age Pension depending on your circumstances. For example, if you are getting Carer Payment because you are caring for someone apart from your partner, and that person dies, you may be entitled to a bereavement payment. You would not be entitled to this bereavement payment if you were getting Age Pension. However, if you are intending to travel outside Australia, the guidelines for being paid Age Pension during an absence from Australia may be more beneficial than those for Carer Payment. A more in-depth explanation of these differences is outlined on the following pages.

While there are several differences between Carer Payment and Age Pension there are also several areas that are the same for both payments. Both Carer Payment and Age Pension:

- have the same rate of payment
- have the same income and assets tests for the carer (a special income test may apply to the care receiver—see page 2)
- are taxable (Carer Payment is taxable once the carer, or the person being cared for, reaches age pension age)
- entitle the customer to a Pensioner Concession Card.

Circumstances	Carer receives Carer Payment	Carer receives Age Pension
Income and assets tests for the care receiver	If the care receiver does not receive an income support payment from Centrelink or Department of Veterans' Affairs a special care receiver income and asset test applies.	Does not apply.
Reviews	Carer Payment customers are contacted every two years to confirm they are continuing to provide care and may be required to provide a medical report about the care receiver.	Age Pension customers who are caring for someone are not subject to regular carer reviews, unless they are receiving Carer Allowance.
Travelling outside or leaving Australia	<p>If you travel outside Australia without the person that you care for your payment can continue for up to 63 days by using your standard respite days to take a break from caring.</p> <p>If you travel temporarily outside Australia with the person that you care for you may be paid for up to 13 weeks if the amount of care you are giving has not changed.</p> <p>If you are travelling to a country that has an International Social Security Agreement with Australia that covers Carer Payment, your payment may continue subject to certain conditions.</p> <p>You cannot be paid Carer Payment for a permanent absence from Australia unless you are able to qualify under an International Social Security Agreement.</p>	<p>In some cases Age Pension customers can be paid indefinitely outside of Australia (some exceptions may apply).</p> <p>The rate you will be paid after 26 weeks may vary.</p> <p>You can generally be paid Age Pension for a permanent absence from Australia subject to certain conditions.</p>
Breaks from caring (Respite)	<p>You can take a break from caring for up to 63 days each calendar year without affecting your Carer Payment. If you stop providing care for more than 63 days your payments may be cancelled.</p> <p>You are also allowed an additional 63 days per calendar year if you receive Carer Payment (caring for a person 16 years and over) and the person you are caring for is in hospital temporarily but you are still helping with their care.</p> <p>You can continue to receive Carer Payment (caring for a child under 16 years) if the child you are caring for is in hospital temporarily but you are still helping with their care.</p>	Your payment will not be affected.
Carer Supplement	If you receive Carer Payment on 1 July of any year, you are also paid a Carer Supplement of \$600. If you receive Carer Allowance on 1 July you will also be eligible for a Carer Supplement of up to \$600 for each eligible care receiver.	Carer Supplement is not payable in respect of Age Pension. However, if you receive Carer Allowance on 1 July you will still be eligible for a Carer Supplement of up to \$600 for each eligible care receiver.
Rent Assistance	<p>If you are single and sharing privately rented accommodation you may be entitled to a higher maximum rate of Rent Assistance than if you were receiving Age Pension and sharing accommodation.</p> <p>Rent Assistance rates are the same as for Age Pension if you are partnered or are not sharing accommodation.</p>	<p>If you are single and sharing privately rented accommodation you may be entitled to a lower maximum rate of Rent Assistance than if you were receiving Carer Payment and sharing accommodation.</p> <p>Rent Assistance rates are the same as for Carer Payment if you are partnered or are not sharing accommodation.</p>

Circumstances	Carer receives Carer Payment	Carer receives Age Pension
Working, volunteering or studying/training	You can work, volunteer or study/train for up to 25 hours a week (including time taken to travel) and still be eligible for Carer Payment. Any income you receive may affect your rate of payment.	There is no limit on the number of hours a week you can work, volunteer or study/train. Any income you receive may affect your rate of payment.
Study assistance	If you are studying you may be entitled to a Pensioner Education Supplement and an Education Entry Payment.	Age Pension customers are not entitled to the Pensioner Education Supplement or the Education Entry Payment.
Casual or contract work	If you or your partner stopped any seasonal, contract or casual (intermittent) work in the six months before claiming, and earned income above a certain level, you may have to wait before receiving Carer Payment. This is called a seasonal work preclusion period.	Age Pension customers are not subject to the seasonal work preclusion period.

Bereavement payments—when the person you are caring for dies

Circumstances	Carer receives Carer Payment	Carer receives Age Pension
The person you are caring for is your partner	You may receive a lump sum bereavement payment if your partner was receiving an income support payment from Centrelink or the Department of Veterans' Affairs. Your regular fortnightly payments will be adjusted to the single rate. You may continue to receive Carer Payment for up to 14 weeks. You may then need to consider transferring to another payment such as Age Pension.	You may receive a lump sum bereavement payment if your partner was receiving an income support payment from Centrelink or the Department of Veterans' Affairs. You will continue to receive Age Pension. Your regular fortnightly payments will be adjusted to the single rate.
The partner of the person you are caring for is getting a Centrelink pension or benefit, or a Department of Veterans' Affairs Service Pension or Income Support Supplement	You are not entitled to a lump sum bereavement payment. You may continue to receive Carer Payment for up to 14 weeks. You will then need to consider transferring to another payment such as Age Pension.	You are not entitled to any bereavement payments. You will continue to receive Age Pension.
The partner of the person you are caring for is not getting a Centrelink pension or benefit, or a Department of Veterans' Affairs Service Pension or Income Support Supplement	You may receive a lump sum bereavement payment. You may continue to receive Carer Payment for up to 14 weeks. You will then need to consider transferring to another payment such as Age Pension.	You are not entitled to any bereavement payments. You will continue to receive Age Pension.
The person you are caring for does not have a partner	You may receive a lump sum bereavement payment. You will continue to receive Carer Payment for the bereavement period. You will then need to consider transferring to another payment such as Age Pension.	You are not entitled to any bereavement payments. You will continue to receive Age Pension.

Note: if you receive Carer Allowance there may be an effect on your payment if you take a break from caring or travel overseas.

For more information contact Centrelink on **13 2717** or call **13 1021** to make an appointment with your Centrelink Customer Service Centre.

Other help for Carers

Carers Australia

Carers Australia is the national peak body for carers and represents the needs and interests of carers at the national level. Visit www.carersaustralia.com.au

Carer Advisory Service

This is an advisory service that can refer you to services, tailored information and resources to support you in your caring role. They can also provide you with a Carer Support Kit containing general information about issues such as looking after yourself, managing health care and medications, loss and grief and an Emergency Care Kit. Call **1800 242 636***.

Commonwealth Carer Respite Centres

Commonwealth Respite and Carelink Centres assist carers to access respite or 'take a break' and provide information about community and other aged care services. They can provide information and advice about respite options and help with organising planned or emergency respite. Visit www.commcarelink.health.gov.au or call **1800 052 222*** or **1800 059 059***.

* Freecall except from mobile phones.

More information

Someone who is ill, injured or has a disability 13 2717

Caring for someone who is frail aged, ill or who has a disability

TTY* enquiries Freecall™ 1800 810 586

Centrelink Business Hotline 13 1158

Customer Relations Freecall™ 1800 050 004

Suggestions, complaints or compliments

TTY* Customer Relations Line Freecall™ 1800 000 567

*TTY is only for people who are deaf or have a hearing or speech impairment. A TTY phone is required to use this service.

Australian Government Services

Fraud Tip-off Line 13 1524

Note: calls from your home phone to Centrelink "13" numbers from anywhere in Australia are charged at a fixed rate. That rate may vary from the price of a local call and may also vary between telephone service providers. Calls to "1800" numbers from your home phone are free. Calls from public and mobile phones may be timed and charged at a higher rate.

Disclaimer

The information contained in this publication is intended only as a guide to payments and services. It is your responsibility to decide if you wish to apply for a payment and to make an application, with regard to your particular circumstances.

This information is accurate as at July 2009. If you use this publication after that date, please check with us that the details are current.