

Senior Australian of the Year backs the 'Let Pensioners Work' campaign

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The 2022 Senior Australian of the Year, Ms Val Dempsey, has today backed National Seniors Australia's campaign to let pensioners to work without losing the Age Pension.

The life-long St John Ambulance volunteer drew on her own life experiences as a pensioner when describing the need for changes to the Age Pension income rules.

"As a registered nurse, it would be so easy to supplement our household income," Ms Dempsey said.

"However, my hourly rate instantly puts me over any amount of money that I'm allowed to earn while being on the Age Pension. I wouldn't even be able to get three hours in a fortnight without it affecting my pension."

National Seniors CEO and Director of Research, Professor John McCallum, described Ms Dempsey's story as a powerful illustration of pensioners' frustrations with barriers to paid work in this country.

"National Seniors is calling on the Federal Government to let Age Pension recipients work without application of the income test, on a three-year trial," Professor McCallum said.

"Our surveys of thousands of older Australians have demonstrated the urgent need for this change, and Val Dempsey's story puts a human face on the statistics."

Ms Dempsey recounted caravanning with her husband in earlier years and wanting to work in local communities they visited but being unable to do so.

"I'm sure there's a lot of people in the same position as myself who would enjoy contributing to the community," Ms Dempsey said.

"Certainly, we don't mind paying the amount of tax that one would be taxed. What I'd like to see changed is the ability for people to earn extra income without it affecting the pension."

National Seniors believes the amount a pensioner is allowed to earn before it affects their pension is too low, and Ms Dempsey agrees.

"Perhaps there might be some consideration to raising the threshold where one can earn a certain amount of money without it affecting the pension," Ms Dempsey said. "It doesn't have to be

thousands and thousands of dollars. But because it is only in our case only a few hundred dollars, that changes our ability to go and work.”

An additional barrier Ms Dempsey identified is the Age Pension rule that if a person’s earned income reduces their pension payments to zero dollars over a 6-fortnight period, they lose their pension entitlement completely.

“If you earn over an amount of money that stops your pension entirely, you then have to reapply for the whole thing,” Ms Dempsey said.

“And that’s an enormous issue for people. It means more doctor visits, it means more going to Centrelink, it means more form filling out, it means declaring all of your assets, it means to gather and collect bank statements. It is a very big job to apply for a pension.”

As a community-minded person, an enthusiastic volunteer and a highly active senior, Ms Dempsey is willing and able to serve the community as both a volunteer and a worker. But she is passionate about the economic and social benefits of older Australians contributing to the workforce.

“Older people, our wonderful seniors across Australia, could benefit greatly from being out there and still contributing to the community in the workforce,” she said.

“It doesn’t necessarily mean that we’re taking jobs from juniors. It means that we’re actually being involved in the community. Seniors have so much to offer. And for them to have a monetary reward for being able to contribute to the community is very high on my agenda.”

The high cost of living and relatively low rate of increase to the pension in recent times are also motivations Ms Dempsey recognises.

“We know right across Australia that the pension does not keep up with the annual inflation rate, and lately it’s been unfair,” she said.

“And I would really like personally to be able to bring extra income into the house. But I am completely put off by the fact that, first of all, it will affect my pension.

“And secondly, if I do it for too long and I do too much over too many weeks, I am in a position where my pension is completely taken away. And that really concerns me.”

“If the Senior Australian of the Year can’t engage in paid community service because of outdated pension rules, something must change,” said Professor McCallum.

“Australian pensioners want work and Australian businesses want workers, so it just makes sense for the Federal Government to implement a three-year trial of waiving the Age Pension income test.”

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