

As part of the Government's Economic Security Strategy (ESS), more than 325,000 Department of Veterans' Affairs (DVA) clients will automatically receive the ESS payment on 18 December 2008.

The payments of \$1400 for singles and \$2100 for couples far exceed any payments the veteran community received under the previous Government (typically \$500 maximum and then only to older Australians). Also, compared to the earlier bonus payment, the ESS payment will go to an extra 14,000 DVA clients – clients who were considered too young to qualify for the payments under the previous Government.

These payments are aimed at those on the lowest incomes and older Australians who are the most vulnerable in the current economic climate.

A TPI veteran will not receive an ESS payment if their income is more than \$40,501pa (single) or \$67,652pa (couple). This income is in **addition** to any DVA disability pension they may receive. Assets tests also apply (single - \$550,500 homeowner, \$873,500 non-homeowner; couple \$675,000 homeowner; \$998,000 non-homeowner).

Out of approximately 29,400 TPI veterans, around 27,200 (or more than 92.5%) will receive the payment from DVA. Of the other 2,200 (or 7.5%), some will receive the payment through Centrelink if they receive a DFISA payment linked to an eligible income support payment. The remainder will not be eligible for the ESS payment as they have income or assets above the limits.

Out of approximately 107,000 war widows, around 105,740 (98.8%) will receive the payment. The remaining 1,260 (or 1.2%) are war widows below age pension age and have income or assets above the limit. The income and assets tests for war widows are \$40,124pa (assets limit \$546,500 homeowner, \$671,000 non-homeowner).

The ESS payment is designed to support veterans and their families on low incomes who are suffering in the current economic climate.

There are other ways members of the veteran community can receive a payment under the Economic Security Strategy. For example, a TPI pensioner whose child receives a benefit under the Veterans' Children Education Scheme will also receive an additional \$1000 per child. Those caring for a veteran, and receiving the Carer's Allowance from Centrelink, will also receive \$1000 for each eligible person they care for.

In total, more than \$407 million will be paid to the veteran community.