

Age Pension change could make it easier to pick up work.

A new Centrelink rule, which came into effect on 1 January, makes it easier for older Australians to work.

Under the [new rule](#), if you receive employment income, Services Australia can now temporarily suspend your Age Pension payment rather than cutting it off completely and forcing people to reapply.

“We can do this if your employment income goes over the cut-off point for more than six fortnights in a row,” Services Australia says.



“We can do this for up to two years. This means that you don’t have to reclaim if you start earning less, or stop working.”

The new rule is actually less onerous than the previous one, which required you to resubmit your Age Pension claim after your payments had stopped. Under the old rule, payments were cut off completely if you exceeded income limits for six consecutive fortnights. You would then have to resubmit an application for the Age Pension.

Currently, singles receiving the Age Pension can earn up to \$190 per fortnight, and couples up to \$336. If you earn less than that, the difference can be banked in what’s known as the [Work Bonus](#) income bank, which can be used to reduce reportable income at a later date.

The Work Bonus can be built up to a maximum of \$11,800 this calendar year, which means you can potentially earn more than \$450 extra per fortnight, up to the maximum amount, before your Age Pension payments are affected.

On 1 December 2022, the maximum Work Bonus balance increased by \$4000, taking the total possible balance from \$7800 to \$11,800. The top-up will stay until 31 December 2023.

But if you exceed those amounts, that is where the new suspension rules will kick in and you could lose your pension – at least temporarily.

“You don’t need to ask us to suspend your payment, we’ll do this automatically,” says Services Australia. “When this happens, we’ll write to you to let you know. We’ll tell you the dates of the period we can suspend your payment for.

“You won’t need to report your employment income while your payment is suspended.”

The rates of many government support payments also went up on 1 January – but unfortunately the Age Pension wasn’t one of them.

But those who receive the Disability Support Pension or the Carer Payment, the payment will rise by \$38.90 a fortnight for singles and \$58.80 for couples.

The Age Pension is not set to be reviewed until it receives the first of its biannual indexation adjustments in March.