



Budget 2026-27

This information is accurate as of 12 May 2026.

Modernising payment of the pension supplement to recipients overseas

CATEGORY: Ageing

The Pension Supplement was introduced as part of the 2009 pension reform package. It comprises the value of:

- Telephone Allowance
- Utilities Allowance
- Pharmaceutical
- GST Supplement.

Currently, the Pension Supplement is reduced from the full rate to the basic amount:

- after 6 weeks if the recipient is temporarily overseas
- immediately, if the departure is permanent.

The basic amount then remains payable overseas indefinitely, as long as the person remains entitled to their substantive payment.

This measure will extend the payment of the full rate of Pension Supplement from 6 to 12 weeks overseas, and then cease the Pension Supplement entirely for temporary departures. For permanent departures, the Pension Supplement would cease entirely on departure.

Services Australia will get \$9.4 million through to 2029-30 to implement this measure.

This measure is led by the Department of Social Services.

This measure is subject to legislation passing.

Who this measure affects

Customers receiving the Pension Supplement who:

- are overseas
- leave Australia on or after 20 September 2026.

When this starts and finishes

This measure starts on 20 September 2026 and is ongoing.