

Indexation of 1922/CSS/PSS pensioners over 85 and in receipt of a pension less than \$90,000

Information received from the CSC shows that there is a total of **22,127** 1922/CSS/PSS pensioners over the age of 85 i.e.

Age	80-84	85-89	90-94	>95	Total (over 85)
	20304	12276	6,687	3,164	22,127

There are **21,218** 1922/CSS/PSS pensioners receiving **in excess of** \$90,000 (all ages).

- 11,905 for the CSS
- 9,302 for the PSS
- 11 for the 1922 scheme
- Nil PNG pensioners receiving in excess of \$90,000.

Assuming that 10% are over the age of 85 results in the 22,127 (those over 85) being reduced by 2,122 to **20,005** i.e. over 85 **and** in receipt of a pension less than \$90,000 pa.

The differences between increases to the Age pension and the 1922/CSS/PSS pensions for the past **12 years** averaged out at **0.46%** (Age pension increased more than the 1922/CSS/PSS pensions) - see attachment "A".

Using the average pension of \$50,567, 20,005 pensioners, and the difference in the average rate of indexation being 0.46%, the result is a gross cost of of \$4,653,363 (for one year)

- $\$50,567 \times 0.46\% = \$232.61$  multiplied by 20,005 equals **\$4,653,363**.

**Less than \$5 million** - without any consideration being given to Clawback (a minimum of 40%).

A reduction in the cost to the government due to Clawback (40%), means that the nett overall cost comes down to **\$2,792,018** - **well below \$3 million**.

- using a lower rate of 30% for Clawback results in a nett cost of **\$3,257,354**
  - **just over \$3 million**.

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Note:

- (1) The assumption of 10% of those over 85 receiving **more than \$90,000** is open to debate
  - could be more, could be less.
- (2) The total of those over 85 shown above (22,127) could have changed slightly in the past few months.
  - these figures were obtained from the CSC on 7 November 2025.