

Addendum

Proposed amendments to the bill

1.1 The committee understands that the government and the opposition have negotiated amendments to the bill.

1.2 The committee did not have an opportunity to consider the amendments in the course of the inquiry, and the proposed amendments were announced after written submissions had already closed. Nonetheless, this chapter provides a brief overview of the amendments and their financial impact.

Removal of schedule 9: Dental services

1.3 This schedule will be removed from the bill. The Child and Adult Public Dental Scheme would have provided funding for additional public dental services to children and concession card holder adults and delivered savings of \$52.4m over the forward estimates. The government has indicated that this measure will be pursued separately at a later time.

Removal of schedule 20: Psychiatric confinement

1.4 This schedule will be removed from the bill. This measure would have ceased social security payments to certain people who are in psychiatric confinement because they have been charged with a serious offence and would have delivered savings of \$37.8m over the forward estimates.

Amendment of schedule 5: Australian Renewable Energy Agency's finances

1.5 The original schedule reduced the forward appropriation for the Australian Renewable Energy Agency (ARENA) by \$1.3bn (\$1 billion over the current forward estimates), bringing it back into line with the savings already reflected in the 2014-15 Budget and all subsequent Budgets.

1.6 Proposed amendments will restore \$800m of ARENA funding over five years (\$550m over forward estimates). This amendment reduces the net savings from this measure to \$460m over the forward estimates.

Amendment of schedule 21: Closing carbon tax compensation to new welfare recipients

1.7 The original schedule ceased the Energy Supplement and the Single Income Family Supplement (both with grandfathering) saving \$1.29 billion over the forward estimates.

1.8 Proposed amendments will remove the Energy Supplement only for new recipients of Family Tax Benefit Part A, Family Tax Benefit Part B and the Commonwealth Seniors Health Card. The Energy Supplement will continue to be paid to all other recipients. This reduces net savings from this measure to \$195 million.

Addition of a new schedule: FTB Part A end-of-year supplement – means testing

1.9 A new schedule will be added to remove the Family Tax Benefit Part A end-of-year supplement for families with an adjusted taxable income greater than \$80,000 from the 2016-17 financial year. This is part of an existing measure that is part of the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2016 currently before the House. This measure will deliver additional savings of \$1.65 billion over the forward estimates.