

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2015-16 Budget Estimates Hearings

Outcome Number: 1.1 Family Tax Benefit

Question No: SQ15-000512

Topic: Family Tax Benefit B

Hansard page: Written

Senator Canavan, Matthew asked:

Evidence given by the Department of Social Services to the Community Affairs Legislation Committee on 4 June 2014 revealed the following impacts of changes to Family Tax Benefit B:

a. Changing income limit from \$150,000 to \$100,000:

total number of families cancelled: 2015-16 — 137,000; 2016-17 — 150,000; 2017-18 — 149,000.

b. Changing age limit to restrict FTB Part B to families whose youngest child is aged under 6:

total number of families cancelled: 2015-16 — 34,200; 2016-17 — 93,000; 2017-18 — 573,000.

1) Are these figures additive across years? (ie, for the age limit change, is it correct to say that over the years 2015-16 to 2017-18 a total of 700,200 families will have access to FTB-B cancelled?)

2) If they are not additive, please provide explanations (and where appropriate data) showing how they are to be correctly interpreted.

3) For each of the three years 2015-16; 2016-17 and 2017-18:

a. How many families are estimated to access FTB-B in total? (provide figures for each year assuming both measures are implemented, as well as figures assuming that only the income limit change applies)

4) If updated figures have been calculated please provide them.

Answer:

1) No, these figures are not additive across years.

2) The total number of families cancelled in forward years includes cancellations from previous years:

a) *Limiting FTB Part B to families with a youngest child under six years of age* results in the cancellation of 34,000 FTB Part B families in 2015-16 and a further 59,000 cancellations in 2016-17, which brings the total cancellations to 93,000 by 2016-17. Around 483,000 families cancelled in 2017-18 result in total cancellations of 576,000 by 2017-18.

b) *Better targeting of FTB Part B* results in the cancellation of 137,500 FTB Part B families in 2015-16 and a further 13,500 cancellations in 2016-17, which brings the total cancellations to 151,000 by 2016-17. There are fewer cancellations in 2017-18 than in 2016-17 because some families lose eligibility for other reasons.

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3) The number of families estimated to access FTB Part B can be found below.

Table 1: Number of FTB Part B families

	2015-16	2016-17	2017-18
FTB Part B families, including the impacts of: <ul style="list-style-type: none"> • <i>Limit FTB Part B to children under six</i>; and • <i>Better targeting of FTB Part B</i> 	1,228,500	1,156,000	674,000
FTB Part B families, including the impact of: <ul style="list-style-type: none"> • <i>Better targeting of FTB Part B</i> 	1,262,500	1,249,000	1,250,000

4) Updated figures for the two measures can be found below and have been used to answer Questions 2 and 3.

Table 2: Limit FTB Part B to families with a youngest child aged under six years of age

	2015-16	2016-17	2017-18	2018-19
FTB Part B families cancelled	34,000	93,000	576,000	576,000

Table 3: Better targeting of FTB Part B

	2015-16	2016-17	2017-18	2018-19
FTB Part B families cancelled	137,500	151,000	150,000	150,000