

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**BUDGET ESTIMATES 2014-15**

Finance Portfolio

**Department/Agency:** Finance  
**Outcome/Program:** 1/1.1  
**Topic:** Border protection policies dividend

**Senator:** Ludwig  
**Question reference number:** F26  
**Type of question:** Hansard, F&PA Committee, Page 97, 28 May 2014

**Date set by the committee for the return of answer:** Friday, 11 July 2014

**Number of pages:** 1

**Question:**

**Senator LUDWIG:** There was a speech by Minister Morrison in which he spoke about the fiscal dividend in relation to the government's border protection policies. He mentioned a figure of \$2.5 billion over five years. When you look at the budget papers, 326, we get a figure midway through the page of \$1.6 billion over four years. The first question is: where did the \$2.5 billion come from? Is it a figure that you provided to Minister Morrison?

...

**Senator Cormann:** They are different numbers of the broader program ... The figure that you are referring to in the budget essentially nets out these various movements.

**Senator LUDWIG:** So, could you just take it on notice and give me a breakdown of how you got that \$2.5 billion—

**Senator Cormann:** Sure.

**Ms Huxtable:** We can give that to you now.

**Senator LUDWIG:** I am just trying to understand what additional matters you then use to pump it up to \$2.5 billion.

**Mr Tune:** We will break down the components for you, on notice.

**Answer:**

The \$2.5 billion estimated reduction in expenses reflects the financial impact of reductions in the number of illegal maritime arrivals over a five-year period as follows.

**Table A – Arrival Rate Reduction – Estimates Variation (5 years)**

	<b>2013-14 (\$m)</b>	<b>2014-15 (\$m)</b>	<b>2015-16 (\$m)</b>	<b>2016-17 (\$m)</b>	<b>TOTAL 4 years (\$m)</b>	<b>2017-18 (\$m)</b>	<b>TOTAL 5 years(\$m)</b>
Estimates variation - Reduction in forecast arrivals	217.4	960.0	808.2	337.2	<b>2,322.8</b>	192.2	<b>2,515.0</b>

The \$1.6 billion estimated reduction in cash payments referred to in Statement 3 of Budget Paper 1 is over a four-year period and includes both the four year impact of the reduction in expenses at Table A above, and the impact of additional costs and parameter variations associated with the operations of the offshore and onshore detention networks.