

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2016-17

Finance Portfolio
18 October 2016

Department/Agency: Department of Finance

Outcome/Program: 1/1.1

Topic: Unlegislated policy decisions – breakdown of figures

Senator: McAllister

Question reference number: F12

Type of question: Hansard Proof, F&PA Committee, Pages 40-41, 18 October 2016

Date set by the committee for the return of answer: Friday, 2 December 2016

Number of pages: 3

Question:

Senator McALLISTER: On page 8, in paragraph 3, as you indicated in your remarks earlier, there is a discussion about unlegislated policy decisions. Can you please provide a breakdown to the committee of what decisions are included in that \$18 billion figure?

Ms Huxtable: I think we would have to take that on notice; that is quite a complex task.

Senator Cormann: We will provide that on notice.

...

Senator Cormann: It is a whole-of-government exercise and we will be able to provide you with the information; we will provide it to you on notice.

...

Senator Cormann: ... My preference is to ensure that the information that is provided to the committee is as current and as accurate as possible. So we do what ministers before me have done, including Senator Wong in her day: we will take the question on notice and provide you with an accurate answer.

Answer:

As at the 2016 PEFO, unlegislated decisions had an indicative net impact of around \$18.0 billion in underlying cash terms over the five years to 2019-20.

Since the 2016 election, the Government has secured around \$12 billion worth of improvements to the budget bottom line over the forward estimates to 2019-20. This includes the deal which secured the passage of the Budget Savings (Omnibus) Bill (\$6.3 billion), tobacco excise increases (\$4.6 billion) and the net impact of measures implemented through the 2016-17 Appropriations Bills (\$1.2 billion).

Consistent with the undertaking at Estimates to provide the committee with the most current information, the attached list shows those remaining unlegislated savings measures and unlegislated revenue measures as at 11 November 2016 that have an estimated impact greater than \$100 million over the period 2016-17 to 2019-20.

ATTACHMENT A

Unlegislated Savings Measures as at the sitting week ending 11 November 2016 above \$100m*

Portfolio	Round	Measures
Education	MYEFO 2014-15	Higher Education Reforms — amendments
Education	Budget 2014-15	A Sustainable Higher Education System - Research Training Scheme - student contributions
Education and Training	Budget 2016-17	School Funding — additional funding from 2018
Health	MYEFO 2015-16	Medicare Benefits Schedule - changes to diagnostic imaging and pathology services bulk-billing incentives
Health	Budget 2014-15	Pharmaceutical Benefits Scheme - increase in co-payments and safety net thresholds
Health	Budget 2014-15	Simplifying Medicare Safety Net arrangements
Social Services	MYEFO 2015-16	Family Payment Reform - a new families package (remaining components)
Social Services	Budget 2016-17	National Disability Insurance Scheme Savings Fund – remaining energy supplement save not achieved through Budget Savings (Omnibus) Bill 2016.
Social Services	MYEFO 2015-16	Parental Leave Pay - revised arrangements
Social Services	Budget 2015-16	Growing Jobs and Small Business – Increasing the age of eligibility for Newstart Allowance and Sickness Allowance – delay
Social Services	Budget 2014-15	Pensioner Education Supplement – cessation
Social Services	Budget 2014-15	Apply the One Week Ordinary Waiting Period to all Working Age Payments
Social Services	Budget 2015-16	Australian Working Life Residence - tightening proportionality requirements
Social Services	Budget 2015-16	Growing Jobs and Small Business – Youth Employment Strategy – Revised waiting period for youth income support
Social Services	Budget 2014-15	Maintain eligibility thresholds for Australian Government payments for three years

Unlegislated Revenue Measures as at the sitting week ending 11 November 2016 above \$100m*

Portfolio	Round	Measures
Immigration and Border Protection	Budget 2016-17	Enhanced Project By-law Scheme – closure
Treasury	Budget 2016-17	Superannuation Reform Package – reforming the taxation of concessional superannuation contributions
Treasury	Budget 2016-17	Superannuation Reform Package – introduce a \$1.6 million superannuation transfer balance cap
Treasury	Budget 2016-17	Superannuation Reform Package – strengthen integrity of income streams
Treasury	Budget 2016-17	Superannuation Reform Package – remove the anti-detriment provision in respect of death benefits from superannuation
Treasury	Budget 2016-17	Ten Year Enterprise Tax Plan – wine equalisation tax rebate integrity and wine tourism funding
Treasury	Announced 15 September 2016 by Treasurer and Minister for Revenue and Financial Services	Reduce annual non-concessional cap to \$100,000 per annum with a three year bring forward from 1 July 2017, limiting eligibility to make non-concessional contributions to individuals with a total superannuation balance of more than \$1.6 million
Treasury	Budget 2016-17	Tax Integrity Package – a new diverted profits tax

*Measures are treated as unlegislated until all relevant legislation, regulations and legislative instruments have been passed.