

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2014 - 2015

Department/Agency: Treasury

Question: BET 145

Topic: Support for households

Reference: written - 12 June 2015

Senator: Canavan, Matthew

Question:

145. Regarding Budget 2015 — Overview, Appendix C: 2015-15 support for households: Estimated tax and government assistance for various family types in 2015-16 — please outline the underlying assumptions and calculations used to construct the estimates of Government assistance and net income tax liability for the following cameos:

- a. Single income couple: two dependants aged 6-13, private income \$100,000 (table row 5)
- b. Single income couple: three dependants, one aged <6 and two aged 6-13, private income \$80,000 (table row 6)
- c. Dual income couple: 70:30 split, three dependants, one aged <6, two aged 6-13, private income \$80,000 (table row 9)
- d. Dual income couple: 50:50 income split, two dependants, one aged <6, one aged 6-13, private income \$100,000 (table row 11)

As part of this please provide:

- i. a breakdown of government assistance by type of payment and amount including how many hours of long day care and outside school hours care were assumed where relevant and the calculation of any childcare benefits and rebates where relevant.
- ii. Any other assumptions needed to reconstruct these cameos.

Answer:

- The key assumptions underlying Appendix C in the 2015 Budget Overview are stated in the footnotes to the Appendix (see page 32 of the Budget Overview).
- Further detailed information on the cameos in Appendix C, including a breakdown of government payments received, is available at <http://www.budget.gov.au/#australians2015> (under the heading 'Tax and Benefits for Australians 2015').
- It is assumed that long day care is for ten hours per day and after school hours care is for three hours per day.