

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2015 - 2016

Department/Agency: Treasury

Question: SBT 34-35

Topic: Family tax benefit supplements

Reference: Hansard page no. 98 - 21 October 2015

Senator: Wong, Penny

Question:

SBT 34-35 - Senator WONG: The Treasurer went on to say:

... with the phasing of those arrangements some of these measures kick in earlier, some of them kick in later. When you get beyond the forwards, that's when you start to get complete parity.

Can you explain that.

Ms Croke: It is because during the course of the forward estimates the family tax benefit supplements are being phased out. I suppose beyond the forwards that supplement is no longer.

Senator CANAVAN: So there is no difference in the accrual and the cash beyond that.

Senator WONG: But that is not his point. He is not making an accounting differential. He is saying, isn't he, that the measures will essentially be paid for. I did not read that—

Senator CANAVAN: Oh, sorry. I read the other one.

Senator WONG: I am asking what he means.

Ms Croke: I think that is the intent.

Senator WONG: The intent is that the saves will fund the spending measures over the medium term.

Ms Croke: Yes.

Senator WONG: Is that how you understood that?

Ms Croke: That is how I would interpret that.

Senator WONG: Was Treasury asked to cost this beyond the forwards, over 10 years?

Ms Croke: We do not do costings. No, we were not.

Senator WONG: You were not asked?

Ms Croke: We were not asked. We do not do costings in that respect, and as far as I know—

Senator WONG: As I remember that—

Ms Croke: Finance do costings.

Senator WONG: Really?

CHAIR: Don't worry!

Senator WONG: Was the medium-term impact of this package provided to the government?

Ms Croke: I would have to take that on notice.

Senator WONG: I am trying to understand on what basis the Treasurer is saying that. If he is saying that, presumably Treasury must have provided advice. Did you provide advice about the medium-term budget impact of this package?

Ms Croke: Not to my knowledge.

Senator WONG: Could you just confirm that on notice.

Ms Croke: I will take that on notice.

Senator WONG: And, if you did, the dates on which you provided that advice.

Ms Croke: I will take that on notice.

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Senator WONG: Did Finance consult you, or were you consulted by Finance, in relation to the medium-term budget impact of this package? Did Senator Canavan have some questions? I have to clarify a couple of things and then I will come back.

Answer:

SBT 34-35: The nature of Treasury advice to Government on the revised Family Tax Benefit measures for the purposes of ERC consideration is confidential.