

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Division/Agency: Budget Policy Division

Question No: 418

Topic: Non-tax receipts

Reference: Written

Senator: Ketter, Chris

Question:

- 1) What was the reason for 2015-16 FBO figure for non-tax receipts being \$1.2 billion higher than estimated than at the May 2016 budget?
- 2) What occurred in the less than two months to the end of June 2016 that caused this increase?
- 3) How does the 2015-16 FBO result compare to the estimates in the 2012-13, 2013-14, 2014-15 and 2015-16 Budgets?
- 4) Please provide an itemized table of all the movements in non-tax receipts that caused the net \$1.2 billion increase.
- 5) What was the reason for the greater-than-expected recoveries from the States and Territories in relation to aged care?
- 6) How much was the dividend from the RBA for 2015-16?
- 7) What was the effect, if any, of the sale of spectrum on non-tax receipts?

Answer:

- 1) The increase in non-tax receipts compared to estimates at the 2016-17 Budget largely reflects greater than expected recoveries from the states and territories in relation to aged care and higher than estimated rebates received under negotiated purchasing arrangements for pharmaceuticals.
- 2) In the two months to end of June 2016, there were greater than anticipated recoveries from the states and territories in relation to aged care costs under the Residential and Flexible Care program. Additionally, there were significant timing differences between revenue and cash receipts relating to rebate arrangements for pharmaceuticals.
- 3) The 2015-16 Final Budget Outcome was an underlying cash balance of -\$39.6 billion. Budget updates between 2012-13 and 2015-16 included the following estimates for the underlying cash balance in 2015-16:
 - \$7.5 billion (2012-13 Budget)
 - \$0.8 billion (2013-14 Budget)
 - -\$17.1 billion (2014-15 Budget)
 - -\$35.1 billion (2015-16 Budget)
- 4) The table below provides a list of the main entities that contributed to the higher than expected non-taxation receipts:

	Change on 2016-17 Budget
Department of Health and Aged Care	-1,274
Department of Social Services	234
Future Fund Mangement Agency	-182
Australian Tax Office	122
Other entities	-134
Other non-taxation receipts	-1,234

5) The increase in receipts largely relates to greater than expected recoveries from the states and territories for the Young People in Residential Aged Care aspect of the 'Residential and Flexible Care' program and recoveries from prior years due to the transition to the National Disability Insurance Scheme.

6) The RBA has paid a dividend of \$3.222 billion to the Commonwealth from its 2015-16 profits.

7) In 2015-16 the sale of spectrum had an impact of \$152.8 million on non-taxation receipts.