

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

**Finance Portfolio**

**Department/Agency:** Department of Finance  
**Outcome/Program:** 1/1.3  
**Topic:** Savings that do not require legislation

**Senator:** Ludwig

**Question reference number:** F21

**Type of question:** Hansard, F&PA Committee, Page 83, 24 February 2015

**Date set by the committee for the return of answer:** Friday, 10 April 2015

**Number of pages:** 2

**Question:**

**Senator LUDWIG:** Is there a total of the savings that do not require legislation?

**Senator Cormann:** I might have to take that on notice if you want the breakdown.

**Senator LUDWIG:** Yes. I just would not mind a little bit more detail.

**Senator Cormann:** Yes.

**Senator LUDWIG:** In other words, the non-legislative savings that are attached and that will feed into the Medical Research Fund.

**Senator Cormann:** Some legislation incidentally has been passed. Not everything in health is—

**Senator LUDWIG:** That is true. Maybe if we could just put that in a separate bundle on notice.

**Senator Cormann:** Sure.

**Senator LUDWIG:** And then the bundle for which legislation requires passage.

**Senator Cormann:** There is about \$3.2 billion in savings across health that have been implemented. I am happy to provide you on notice the specific breakdown. There is then another \$2.1 billion in savings that do not require legislation and that are not yet implemented. Principally, that goes to the timing of when they come into effect. There is then about \$4.7 billion that is subject to legislation which is yet to be dealt with by the parliament.

**Senator LUDWIG:** What I would like is just a bit more detail on which of the ones are the savings measures? I am happy for that to be taken on notice.

**Answer:**

As at 18 March 2015, there are \$5.5 billion over five years from 2013-14 in Health savings measures that have been enacted which will be invested in the Medical Research Future Fund. This comprises:

- Savings of \$3.25 billion that have been implemented; and
- Savings of \$2.17 billion that do not require legislation but are yet to commence.

As at 18 March 2015, there are savings of \$2.82 billion over four years from 2014-15 which require the passage of legislation. In addition, \$1.01 billion in uncommitted funding from the Health and Hospitals Fund, will transfer to the Medical Research Future Fund when legislation is passed.

The \$4.7 billion referred to by the Finance Minister on 24 February included \$870.5 million in savings related to a \$5 reduction in Medicare rebates for non-concessional patients. On 3 March 2015, the Minister for Health announced that the Government would no longer proceed with this saving.