

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates 3-5 June 2008

**Question: bet 64**

**Topic: Government Assistance Programs**

**Hansard Page: E13-E14**

**Senator Boswell asked:**

**Senator BOSWELL**—I have some more questions. The new adjustable tax income will be used to assess eligibility for a range of government assistance programs. What do these include?

**Ms Furnell**—A range of payments are through the transfer system such as the—

**Senator BOSWELL**—Can you enunciate all the programs?

**Ms Furnell**—I can provide you with some information and I hope these will be complete. The dependency tax offsets include income support payments paid under the Social Security Act, so that is a range of income support payments—parental income test on youth allowance and ABSTUDY, family tax benefit parts A and B, the childcare benefit, child support, the Assistance for Isolated Children scheme, exceptional circumstances relief payments, exceptional circumstances interim income support, family help income support payments and income test for residential aged carers. That is the advice I have.

**Senator BOSWELL**—For each of these programs, how many working families will lose their eligibility or receive a lesser amount of assistance as a result?

**Ms Furnell**—I do not have estimates on any distributional impact on those specific programs. I can check to see what information is available.

**Senator BOSWELL**—Again, I hope I do not receive this on 1 August. I would like to receive it today. I would appreciate it if someone could get on the phone and request an answer to the questions that have been asked, and you can come back to us. Is that possible?

**Ms Furnell**—I will check.

**Answer:**

The inclusion of salary sacrifice superannuation contributions in adjusted taxable income is expected to lead to reduced benefits for around 74,400 families receiving Family Tax Benefit and 18,800 families in receipt of Child Care Benefit from 1 July 2009. Around 17,000 individuals in receipt of pension and allowance payments are estimated have reduced benefits from 1 July 2009. It is not possible to provide further statistically valid breakdowns of this estimate.

The inclusion of net investment losses in adjusted taxable income is expected to lead to reduced benefits for around 20,100 families receiving Family Tax Benefit and 10,700 families in receipt of Child Care Benefit from 1 July 2009. It is not possible to provide further statistically valid estimates of the impact of this change.