

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Budget Estimates Hearing – May 2009

Department of Finance and Deregulation

Finance and Deregulation Portfolio

Outcome 1, Program 1

Topic: Total savings arising from reforms to benefits in the 2009-10 Budget

Question reference number: F28

Type of Question: Hansard, F&PA 80, 27 May 2009

Date set by the committee for the return of answer: 10 July 2009

Number of Pages: 2

Senator Coonan asked:

Do you have at your disposal the total savings from reforms to benefits? Do you have that to hand, or is it that something that would take—

Answer:

The savings from reforms in the 2009-10 Budget to benefits that are classified as income support payments are detailed in the table attached.

Note: This question affects the following portfolios:

FaHCSIA

DEEWR

DVA

Centrelink

Health

Medicare

Savings measures (impact on expenses)

	2008-09 \$m	2009-10 \$m	2010-11 \$m	2011-12 \$m	2012-13 \$m	Total \$m
Reform of family payments - FTB-A - removing the link to pension indexation		-43.1	-189.5	-292.0	-498.7	-1,023.3
Reform of family payments - pause to indexation of upper income thresholds of FTB-A, FTB-B and Baby Bonus	0.6	-209.6	-291.0	-432.1	-454.5	-1,395.5
Secure and Sustainable Pensions - tighten the income test taper	0.3	-134.1	-284.7	-364.1	-451.5	-1,234.0
An Innovation and Higher Education System for the 21st Century - Student Income Support - Youth Allowance workforce participation criteria		-132.7	-552.2	-561.8	-573.1	-1,819.9
Dependent Pension – lump-sum payment and closure		5.3	-2.2	-2.0	-1.9	-0.8
Total impact on Fiscal Balance	0.9	-519.5	-1,318.4	-1,653.0	-1,982.8	-5,472.7

NOTE: Negative figures indicate a reduction in estimated expenses and a positive impact on the fiscal balance.