Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2011-2012

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation
Outcome/Program: 1/1.1
Topic: Percentage of savings that are funding referrals

Senator: Cormann
Question reference number: F5
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Question:
Senator CORMANN: What percentage of the savings are actually funding deferrals? We have $6.2 billion worth of savings that are new taxes or tax increases. Which of the savings, rather than spending cuts, are deferrals in funding into later years?
Mr Tune: I do not think we have that number. We will take that on notice.
Senator Wong: Do you want us to disaggregate this and give you some sense of how much was deferral?
Senator CORMANN: I want to know how much of it is spending cuts.
Senator Wong: If you are not spending it in the year, that is a spending cut.
Senator CORMANN: If you just defer it, then it is cash-flow management really.
Senator Wong: Why don't you tell us what you are asking and we will take it on notice.
Senator CORMANN: Exactly. We know that $6.2 billion was new taxes, tax increases or revenue measures. So, that leaves another $15-plus billion. How much of that was actual cuts in spending where the spending is not expected to ever happen again? How much of it is a deferral into the out years or later years, into years beyond the budget, but where the expenditure is still actually going to happen? That is what I am getting at.
Mr Tune: I understand your question. I do not have that number with me so we will take that on notice.

Answer:

On a fiscal balance basis, the dollar value of savings due to deferrals is $3.7 billion (relative to the total savings figure of $22.2 billion.).