

FINAL BUDGET OUTCOME 1999-2000

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Foreword

The *Final Budget Outcome 1999-2000* has been prepared in a manner consistent with the *Charter of Budget Honesty Act 1998*. The Charter requires that, inter alia, the Government provide a final budget outcome report no later than three months after the end of the financial year. Consistent with these requirements, this report encompasses Commonwealth general government fiscal outcomes for the 1999-2000 financial year; and is based on external reporting standards.

The *Final Budget Outcome 1999-2000* is the first Commonwealth Final Budget Outcome to be prepared on an accrual accounting basis. Therefore, a final outcome is presented for the fiscal balance for the first time, in conjunction with the underlying cash balance. Prior to this year, the Final Budget Outcome was prepared on a cash accounting basis consistent with the methodology used in the Commonwealth budget at that time.

Part I contains the general government sector budget aggregates for 1999-2000 together with an analysis of the 1999-2000 final budget outcome. This includes summary analysis of revenue, expenses, net capital investment, the balance sheet (net debt and net worth) and cash flows.

Part II presents the 1999-2000 Commonwealth general government sector primary financial statements in accordance with *AAS31 Financial Reporting by Governments*.

Part III presents the Commonwealth financial statements for 1999-2000 in accordance with the Australian Bureau of the Statistics (ABS) Government Finance Statistics (GFS) framework. This data covers the general government sector as well as the Commonwealth public corporations sectors.

Part IV provides details for 1999-2000 on Federal Financial Relations, updated from that contained in the *2000-01 Budget Paper No. 3*.

Historical budget and net debt data are presented in Appendix A. Expense data on a functional and sub-functional basis are presented in Appendix B.

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Notes

- (a) The following definitions are used in this paper:
- ‘real’ means adjusted for the effect of inflation;
 - real growth in expenses is measured by the non-farm Gross Domestic Product deflator; and
 - one billion is equal to one thousand million.
- (b) Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding:
- estimates under \$100,000 are rounded to the nearest thousand;
 - estimates \$100,000 and over are generally rounded to the nearest tenth of a million;
 - estimates midway between rounding points are rounded up; and
 - the percentage changes in statistical tables are calculated using unrounded data.
- (c) For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.
- (d) The following notations are used:
- | | |
|---------|---|
| NEC/nec | not elsewhere classified |
| AEST | Australian Eastern Standard Time |
| - | nil |
| .. | not zero, but rounded to zero |
| na | not applicable (unless otherwise specified) |
| nfp | not for publication |
| \$m | \$ million |
| \$b | \$ billion |

- (e) References to the 'States' or 'each State' include the Territories, because from 1993-94 onwards, general purpose funding has been on the same basis for all jurisdictions. The Australian Capital Territory and the Northern Territory are referred to as 'the Territories'. The following abbreviations are used for the names of the States, where appropriate:

NSW	New South Wales
VIC/Vic	Victoria
QLD/Qld	Queensland
WA	Western Australia
SA	South Australia
TAS/Tas	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory

Part I: Commonwealth Budget Outcome

OVERVIEW

In 1999-2000, the Commonwealth general government sector recorded its largest ever budget surplus, in both cash and accrual terms. This is the third consecutive underlying cash surplus.

- The fiscal balance for 1999-2000 was a surplus of \$13.5 billion (2.1 per cent of GDP), \$3.8 billion higher than the estimate provided in the 2000-01 Budget.
- The underlying cash balance for 1999-2000 was a surplus of \$12.7 billion (2.0 per cent of GDP), an increase of \$4.9 billion on the estimate provided in the 2000-01 Budget. The underlying cash surplus for 1999-2000 was \$8.5 billion higher than the \$4.2 billion surplus recorded in 1998-99.
- Net debt fell by \$17.5 billion in 1999-2000 to \$53.1 billion (8.4 per cent of GDP). This was a \$3.2 billion larger reduction than anticipated at the 2000-01 Budget.

Stronger than expected taxation revenue and lower expenses both contributed to the higher than anticipated surplus in 1999-2000. However, while some growth in the tax base contributed to the higher outcome, most of the additional improvement in the budget surplus, relative to expectations for that year at the 2000-01 Budget, was due to one-off events or shifts in the timing of revenues and expenses.

Table 1 provides a summary of the major fiscal aggregates for 1999-2000, as well as a comparison with 1998-99 outcomes and the estimates published in the 1999-2000 and 2000-01 Budgets.

Table 1: General government sector budget aggregates

	1998-99 Outcome	1999-00 Estimate at 1999-00 Budget(a)	1999-00 Estimate at 2000-01 Budget	1999-00 Outcome
Revenue (\$b)	151.9	162.2	164.7	166.6
Per cent of GDP	25.5	25.6	26.0	26.4
Expenses (\$b)	146.6	155.4	155.2	153.2
Per cent of GDP	24.6	24.6	24.6	24.2
Net operating balance (\$b)	5.3	6.7	9.4	13.4
Net capital investment (\$b)	1.4	1.6	-0.3	-0.1
Fiscal balance (\$b)	3.9	5.2	9.7	13.5
Per cent of GDP	0.6	0.8	1.5	2.1
Underlying cash balance (\$b)	4.2	5.0	7.8	12.7
Per cent of GDP	0.7	0.8	1.2	2.0

(a) Adjusted for classification and accounting policy changes to be on a consistent basis with the 2000-01 Budget estimates and the outcome data. Therefore the figures shown are different to those originally published in the 1999-2000 Budget.

REVENUE

Total revenue in 1999-2000 was \$166.6 billion, around \$2.0 billion (1.2 per cent) higher than the revised estimate of \$164.7 billion provided in the 2000-01 Budget.

The tax revenue outcome for 1999-2000 was \$152.6 billion, around \$2.0 billion (1.3 per cent) higher than estimated at the 2000-01 Budget. This was primarily due to greater than expected revenue from companies and other individuals.

Companies tax revenue for 1999-2000 was around \$1.1 billion (4.9 per cent) higher than the 2000-01 Budget estimate. This reflected, in part, stronger than expected company profit growth and the non-payment of a large refund that was anticipated at Budget. There is also evidence of some companies engaging in tax planning activities, possibly resulting in some revenue being brought forward from 2000-01.

Other individuals tax revenue for 1999-2000 was around \$0.7 billion (5.3 per cent) higher than the 2000-01 Budget estimate. This reflected slightly stronger than expected provisional income growth, a record number of June lodgements, and increased audit activity by the Australian Taxation Office (ATO), particularly in the area of aggressive tax planning schemes.¹

Abstracting from companies and other individuals, tax revenue was around \$0.1 billion (0.1 per cent) higher than the 2000-01 Budget estimate. Non-tax revenue in 1999-2000 was \$14.0 billion, in line with the 2000-01 Budget forecast.

EXPENSES

Total expenses were \$153.2 billion in 1999-2000, approximately \$2.0 billion lower than estimated at the 2000-01 Budget. This outcome reflects lower than anticipated spending by a number of agencies and across several functions. It includes expenditure that has slipped from 1999-2000 to 2000-01, as well as some other one-off factors. Expenditure on demand-driven programmes (such as personal benefits payments) was largely as forecast at the 2000-01 Budget.

Major areas where expenses were lower than anticipated at the 2000-01 Budget include:

- Lower than anticipated Defence training costs (\$0.6 billion), including inventory consumption, with major training exercises cancelled due to the deployment to East Timor. Defence employee expenses were also less than anticipated (\$0.1 billion), due to lower than expected military and civilian recruitment.

1 In particular, on 15 June 2000, the Tax Commissioner announced the release of an income tax ruling on 'tax shelters' (TR 2000/8) addressing issues found in a wide variety of investment schemes including various afforestation and other primary production schemes, film and franchise schemes.

- Lower expenses on the Job Network (\$0.1 billion) due to providers taking longer than estimated to claim payment from the Commonwealth.
- Delays in programmes including the Regional Telecommunications Infrastructure Fund, Federation Fund (predominantly the Australian Centre for Moving Image) and untimed local calls (\$0.2 billion).
- Rescheduling of expenses on rail upgrades and transport-related Federation Fund projects such as the Darwin to Alice Springs Rail and Murray River Bridges projects from 1999-2000 to 2000-01 (\$0.1 billion).
- Variations in spending by the Department of Education, Training and Youth Affairs on apprenticeship initiatives, Schools Quality Outcomes, the Tasmanian Training Initiative, the Jobs Pathway, and Literacy and Numeracy Training for the Unemployed (\$0.1 billion).
- The rescheduling of Department of Immigration and Multicultural Affairs expenditure from 1999-2000 to 2000-01 relating to the detention of unauthorised arrivals (\$0.1 billion).
- Lower than anticipated superannuation expenses (\$0.3 billion).
- Lower than anticipated Natural Heritage Trust Fund expenses, as they are not recognised until certain milestones are met (\$0.1 billion).
- Lower than anticipated expenses across a number of agencies, all of which are minor variations at the individual agency level (\$0.4 billion).

There were some offsets to these lower than anticipated expenses, including:

- Increases in interest expenses (\$0.1 billion) related to additional repurchases of Commonwealth Government Securities by the Australian Office of Financial Management.
- Higher than expected personal benefit expenses in the Health and Aged Care Portfolio for Medicare, pharmaceutical benefits and residential care subsidies (\$0.4 billion). This was partly offset by lower expenses due to delays in implementing a range of health programs including the National Illicit Drug Strategy and the Medical Research Endowment Fund (\$0.2 billion).

Table 2 provides information on GFS expenses by function. The major variations since the 2000-01 Budget described above are reflected in the functional data.

This is the first time that expenses by function data have been able to be provided on a GFS basis (all previous expenses by function data have been on a AAS31 basis). Therefore, the data referring to the estimates at the 2000-01 Budget did not appear in the budget papers but have been calculated subsequently. Information on AAS31 expenses by function (and sub-function) is provided in Appendix B.

Table 2: Expenses by function — GFS basis

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
General public services		
Legislative and executive affairs	575	571
Financial and fiscal affairs	5,335	5,323
Foreign economic aid	2,114	2,013
General research	1,497	1,458
General services	460	537
Government superannuation benefits	5,106	4,766
Defence	10,332	9,476
Public order and safety	1,188	1,132
Education	10,235	10,298
Health	23,491	23,489
Social security and welfare	57,257	57,083
Housing and community amenities	1,861	1,844
Recreation and culture	1,487	1,475
Fuel and energy	48	32
Agriculture, fisheries and forestry	1,852	1,785
Mining and mineral resources (other than fuels), manufacturing & construction	885	896
Transport and communications	2,178	1,999
Other economic affairs		
Tourism and area promotion	149	147
Labour and employment affairs	2,759	2,511
Other economic affairs	522	514
Other purposes		
Public debt interest	6,420	6,446
General purpose inter-govt transactions	19,271	19,195
Natural disaster relief	83	100
Contingency reserve	-60	0
Asset sales	204	130
Total GFS expenses	155,248	153,217

CAPITAL

Net capital investment was \$0.2 billion higher in 1999-2000 than estimated at the 2000-01 Budget, largely due to variations in the Defence, and Finance and Administration portfolios.

In the Defence portfolio, net capital investment was around \$0.4 billion higher than estimated at the 2000-01 Budget. Higher than anticipated purchases of property, plant and equipment (\$0.9 billion) were partly offset by higher than forecast proceeds from housing sales by the Defence Housing Authority (\$0.1 billion) and lower than forecast investment in inventory (\$0.2 billion) and other non-financial assets (\$0.2 billion).

Together with the \$0.7 billion decrease in Defence expenses, this results in a \$0.2 billion increase in the fiscal balance.

In the Finance and Administration portfolio, net capital investment was \$0.3 billion lower than estimated at the 2000-01 Budget due to lower than forecast property purchases (\$0.2 billion) and higher than expected proceeds from the sale of land and buildings (\$0.1 billion).

NET DEBT AND NET WORTH

The level of Commonwealth general government net debt fell by \$17.5 billion in 1999-2000 to \$53.1 billion (8.4 per cent of GDP). Reflecting the higher than expected cash surplus, the 1999-2000 net debt outcome is \$3.2 billion lower than was anticipated at the 2000-01 Budget. Net debt has fallen from a high of almost 20 per cent of GDP in 1995-96 to 8.4 per cent of GDP in 1999-2000, with the net reduction totaling \$42.7 billion. Commonwealth general government net debt is now at its lowest level since 1991-92.

Table 3: Commonwealth general government sector net worth and net debt

	1999-00 Estimate at 1999-00 Budget \$b	1999-00 Estimate at 2000-01 Budget \$b	1999-00 Outcome \$b
Financial assets	49.2	67.5	112.5
Non-financial assets	54.9	55.8	60.0
Total assets	104.1	123.3	172.4
Total liabilities	167.9	178.8	184.1
GFS net worth	-63.8	-55.5	-11.6
Net debt(a)	51.1	56.3	53.1
Per cent of GDP	8.1	8.9	8.4

(a) Net debt comprises a sub-set of liabilities (deposits held, advances received and borrowing) less a sub-set of financial assets (cash and deposits, advances paid and investments, loans and placements).

At the end of 1999-2000, Commonwealth general government GFS net worth was -\$11.6 billion, \$43.9 billion higher than the estimate in the 2000-01 Budget.

This improvement has largely resulted from the move to value the Commonwealth's investments in public corporations (including Telstra) at market prices in the GFS balance sheet. This change has been made to align with the ABS GFS framework. The ABS used a current market value method for Commonwealth investments in its 1998-99 issue (released in July 2000) of *Government Finance Statistics* (Cat. No. 5512.0). These investments were previously valued at historic cost, as allowed by Australian Accounting Standards. The valuation change has increased financial assets by \$40.4 billion

Other factors that contributed to the Commonwealth's improved net worth position since the 2000-01 Budget include:

- an increase in the level of non-financial assets of \$4.2 billion (mainly resulting from an upward revaluation of specialist military equipment); and
- the increase in the net operating balance of \$3.9 billion, which has resulted in lower borrowings (\$1.3 billion) and greater cash and deposits (\$2.7 billion).

The positive balance sheet movements have been partly offset by an increase in the Commonwealth's superannuation liability of \$4.4 billion since the 2000-01 Budget. This follows a three yearly actuarial reassessment of both civilian and military superannuation schemes undertaken by the Australian Government Actuary in June 2000.

Box 1: Valuation of Commonwealth investments in public corporations

The ABS GFS framework is based on international statistical standards and, in principle, requires stocks and flows to be valued at current market prices. To align with the ABS GFS framework the Commonwealth has now moved to this valuation methodology for investments in public corporations. Current market value is calculated using the share price for publicly listed corporations and the current value of net assets for unlisted corporations. Previously, these Commonwealth investments were valued at historic cost (which was estimated as at 30 June 1997). The ABS used a current market value method for Commonwealth investments in public corporations in its 1998-99 issue of *Government Finance Statistics* (Cat. No. 5512.0) released in July 2000.

In the Australian Accounting Standards (AAS31) balance sheet, investments in public corporations are valued at historic cost.

CASH FLOWS

In 1999-2000, the underlying cash balance was a surplus of \$12.7 billion, \$4.9 billion higher than the estimate in the 2000-01 Budget. The higher than expected outcome is primarily the result of greater operating cash receipts and lower operating cash payments.

Table 4: Summary of Commonwealth general government sector cash flows

	1999-00 Estimate at 1999-00 Budget(a) \$b	1999-00 Estimate at 2000-01 Budget \$b	1999-00 Outcome \$b
Cash receipts from operating activities	159.7	161.5	163.4
Cash payments for operating activities	150.5	151.5	147.9
Net cash flows from operating activities	9.2	10.0	15.5
Net cash flows from investments in non-financial assets	-4.2	-2.2	-2.8
Underlying cash balance	5.0	7.8	12.7
Per cent of GDP	0.8	1.2	2.0
Memorandum items:			
Net cash flows from investments in financial assets for policy purposes(b)			
Major asset sales	15.8	10.1	10.1
Other net advances paid	2.0	-0.7	-0.6
Headline cash balance	22.8	17.2	22.2

(a) Adjusted for classification changes to be on a basis consistent with the 2000-01 Budget estimates.

(b) Under the cash budgeting framework, these cash flows were referred to as 'net advances'.

Many of the variations to accrual revenue and expenses since the 2000-01 Budget described earlier also explain the increase in net operating cash receipts. However, there are also some variations that have differing impacts upon the cash and accrual budget aggregates and these are discussed below.

Operating cash receipts

Cash receipts from operating activities were around \$1.9 billion higher than the 2000-01 Budget estimate, which is in line with the accrual revenue variation of around \$2.0 billion. However, there are some notable compositional differences between the cash and accrual variations in taxation revenue. In particular, a stronger companies tax outcome in cash terms was largely offset by the fact that most of the additional strength in other individuals tax revenue was in non-cash elements.

- In cash terms, company taxation receipts were around \$1.8 billion higher than anticipated at the 2000-01 Budget, compared with a stronger accrual outcome of \$1.1 billion. This difference is mainly explained by lower than expected take-up of

the option to defer some cash payments — under the PAYG transitional arrangements — by companies with early December balancing dates. (At the 2000-01 Budget, it was expected that companies would postpone payment of the amount of company tax brought forward by the introduction of the PAYG system that they were eligible to defer. However, many early December balancing companies elected instead to pay the cash amounts early.)²

- While other individuals tax revenue was around \$0.7 billion higher than expected at the 2000-01 Budget in accrual terms, in cash terms it was only \$0.1 billion higher. This difference was largely due to a significant number of later lodgments and assessments in June 2000 (causing the corresponding cash payments to slip into 2000-01).

Operating cash payments

Major differences between operating cash payments and expenses since Budget include:

- a carryover from 1999-2000 into 2000-01 of \$0.3 billion in cash payments associated with GST start-up assistance certificates for small business;
- lower than budgeted superannuation payments of \$0.3 billion, mainly related to lower lump sum payments;
- higher expenses in the Health and Aged Care Portfolio of \$0.3 billion resulted in an increase in the liability accrued at year end and as such did not translate to increased cash payments; and
- a bring forward of payments to Western Australia of \$0.1 billion under the *Petroleum (Submerged Lands) Act 1967* following recent changes to the Act. The greater cash payments in 1999-2000 will generate savings for the Commonwealth in future years.

Investments in non-financial assets

Net cash expenditure on non-financial assets was \$2.8 billion, an increase of \$0.6 billion from the 2000-01 Budget estimate (which has the effect of reducing the underlying cash balance). This was mainly due to:

² The new company tax payment arrangements under the PAYG system have brought company tax payments from the 2000-01 income year forward relative to the previous arrangements. This transition has caused an overlap of company tax payments in the 2000-01 financial year for most companies. However, for companies with early December balancing dates, the overlap occurred in 1999-2000. Under the PAYG transitional arrangements, companies are allowed to defer cash payment of some of the additional tax liabilities arising from the overlap over the following 2½ to 5 years.

- higher than anticipated investment in property, plant and equipment (\$0.9 billion) by the Department of Defence as a consequence of a reallocation of spending between current and capital. Taking current and capital together, Defence cash expenditures have contributed to a \$0.2 billion increase in the underlying cash balance; and
- partly offset by lower than expected property purchases (\$0.2 billion) and higher proceeds from the sale of land and buildings (\$0.1 billion) by the Department of Finance and Administration.

External reporting standards

The Commonwealth *Charter of Budget Honesty Act 1998* requires that the Final Budget Outcome be based on external reporting standards, and that departures from applicable external reporting standards be identified.

The major external standards used in the Final Budget Outcome are the ABS accrual Government Finance Statistics (GFS) framework and Australian Accounting Standards, including *Australian Accounting Standard No. 31 Financial Reporting by Governments* (AAS31).

The GFS reporting framework is a specialised statistical system designed to support economic analysis of the public sector. It allows comprehensive assessments to be made of the economic impact of government and is consistent with international statistical standards. The major budget aggregates are drawn from the GFS framework.

AAS31 requires governments to prepare accrual-based general purpose financial reports, including in relation to the assets they control, any liabilities incurred, and their revenues and expenses. This reporting is intended to provide a consolidated overview of the financial performance and position of government, including in the area of financing and investing activities. Users are not able to obtain this overview by analysing all of the individual financial reports of the many entities controlled by Commonwealth, State and Territory governments due to the existence of intra-government transactions.

Under AAS31, governments must prepare an operating statement (also known as a statement of revenues and expenses, or profit and loss statement), a statement of financial position (or balance sheet) and a statement of cash flows.

Attachment B provides a reconciliation between GFS and AAS31 aggregates.

The GFS and AAS31 financial statements in the Final Budget Outcome are generally consistent with the ABS GFS framework and accounting policies in AAS31 respectively.

The GFS framework requires that flows and stocks are valued at current market prices (or where these are not observable, a suitable proxy indicator). While this is the case for flows in the operating statement and the cash flow statement, not all assets and liabilities in the GFS balance sheet are currently valued at current market prices. This is principally because Australian Accounting Standards allow asset and liability valuation methods other than current market prices (such as historic cost). In the early years of accrual budgeting the focus has been on preparing robust GFS operating and cash flow statements. Refinements to the GFS balance sheet valuations of assets and liabilities will be considered over time, in consultation with the ABS, as the new framework is bedded down.

Additional information on the consistency of the Final Budget Outcome with AAS31 is provided in Part II (see Note 1 to the financial statements).

Reconciliation of GFS and AAS31 aggregates

There is a general consistency of treatment between GFS and accounting standards. The GFS and AAS31 definitions of the scope of the public sector are similar in almost all cases. AAS31 recommends the same segmentation of the public sector into general government, public non-financial corporations (PNFC) and public financial corporations (PFC) sectors. The general government sector and PNFCs together make up the non-financial public sector (NFPS).

Transactions are generally treated in a similar manner by GFS and accounting standards; however, where GFS is a framework designed to facilitate macro-economic analysis, AAS31 is designed as a standard for general purpose financial reporting. The different objectives of the two systems lead to some variation in the treatment of certain items.

In particular, revaluations of financial and non-financial assets and liabilities are classified differently under the AAS31 and GFS standards. Major revaluations include: writedowns of bad and doubtful debts (excluding those that are mutually agreed); changes in the valuation of superannuation liabilities; and foreign exchange gains and losses.

Under AAS31 reporting, valuation changes may affect revenues or expenses. However, under GFS reporting revaluations are not considered to be transactions (that is, they are considered to be other economic flows) and accordingly do not form part of revenues or expenses. Therefore, most revaluations are not taken into account in the calculation of the GFS net operating balance or fiscal balance.

Some of the major differences between the GFS and AAS31 treatments of transactions are outlined in Table 5. Further information on the differences between the two systems is provided in the ABS information paper *Accruals-based Government Finance Statistics* (Cat. No. 5517.0).

Table 5: Selected differences between AAS31 and GFS reporting standards

Issue	AAS31 Treatment	GFS Treatment
Provisions for bad and doubtful debts and asset writedowns	Treated as part of operating expenses.	Treated as revaluations, except for mutually agreed writedowns, and therefore are removed from operating expenses.
Profit/loss on sale of assets	Treated as part of operating revenues/expenses.	Treated as revaluations and therefore are removed from operating revenues/expenses.
Interest flows related to swaps and other financial derivatives	Treated as operating revenues and expenses.	Treated as financing transactions and hence not included in operating revenues and expenses.
Benefits to households in goods and services (social transfers in kind) component of personal benefits payments	All personal benefits payments are treated as transfers in operating expenses.	Personal benefits payments that are not paid as direct cash transfers are treated as part of other expenses in the operating statement.
Regulatory Fees	Included in non-taxation revenue.	Predominantly treated as user charges and included in the 'Sales of Goods and Services' component of non-taxation revenue.
Fines	Included in non-taxation revenue.	Treated as transfer income as part of non-taxation revenue.
Public debt net interest	Under accounting standards, premia and discounts on the repurchase of debt are included in public debt net interest at the time of repurchase, regardless of whether the stock is cancelled at that time. Issue premia and discounts are amortised over the life of the stock.	Repurchase premia and discounts are treated as economic revaluations at the time the debt is repurchased (provided it is valued at historical cost). The GFS cash flow statement includes repurchase premia or discounts in the year that the repurchased stock is cancelled or matures.
Finance Leases	Treats finance leases as if an asset were purchased from borrowings ie the lease payment is split into an interest component (which is shown as an operating expense) and a principal component. The asset and the liability are recorded on the balance sheet. However, this convention does not apply to the cash flow statement, which does not record the acquisition of the asset or the liability.	As per the accounting standard, except that the GFS cash flow statement includes the acquisition of the asset and the liability.

Table 6 reconciles GFS revenue and expenses (which appear in Parts I and III) with their AAS31 counterparts (which are reported in Part II).

Table 6: Reconciliation of GFS and AAS31 revenue and expenses

	1999-00 Outcome \$m
GFS revenue (Parts I and III)	166,617
<i>plus</i> foreign exchange gains	308
<i>plus</i> other economic revaluations	-593
<i>plus</i> profit on the sale of assets	1,483
<i>plus</i> swap interest received	1,959
<i>plus</i> revenue allocated to GFS expenses	147
AAS31 revenue (Part II)	169,921
GFS expenses (Parts I and III)	153,217
<i>plus</i> revaluations/writedowns from superannuation	2,280
<i>plus</i> net writedown of assets/bad and doubtful debts	1,762
<i>plus</i> foreign exchange losses	1,113
<i>plus</i> other economic revaluations	201
<i>plus</i> loss on the sale of assets	29
<i>less</i> costs of asset sales	176
<i>less</i> other property expenses	0
<i>plus</i> swap interest paid	1,834
<i>plus</i> revenue allocated to GFS expenses	147
AAS31 expenses (Part II)	160,408

Table 7 reconciles the accounting operating result to the GFS net operating balance and the fiscal balance (GFS net lending).

The reconciliation can be divided into two parts. The first part shows classification differences between the AAS31 operating result before extraordinary items and the GFS net operating balance. (The classification differences are those shown in Table 6.)

The second part of the reconciliation shows the adjustment for net capital investment required to derive the fiscal balance from the GFS net operating balance. Net capital investment is measured as net purchases of property, plant and equipment, plus net investment in other non-financial assets less depreciation.

Table 7: Reconciliation of AAS31 net operating result and fiscal balance

	1999-00 Outcome \$m
AAS31 operating result before extraordinary items	9,514
Net classification differences	3,886
GFS net operating balance	13,400
<i>less</i> purchase of property, plant and equipment and intangibles	5,226
<i>less</i> assets acquired under finance leases	0
<i>less</i> other non-financial assets	-252
<i>less</i> increase in inventories	16
<i>plus</i> proceeds from sales of property, plant and equipment and intangibles	2,417
<i>plus</i> depreciation and amortisation	2,642
Fiscal balance (GFS net lending)	13,469

Budget concepts

The major budget aggregates are based on the ABS accrual GFS framework. The following section provides a brief overview of this framework and the major fiscal aggregates. Additional information on the accrual GFS framework is available in the ABS publication *Information Paper: Accruals-based Government Finance Statistics, 2000* (Cat. no. 5517.0)

The GFS framework requires that flows and stocks are valued at current market prices (or where these are not observable, a suitable proxy indicator).

ACCRUAL GFS FRAMEWORK

The accrual GFS framework is based on an integrated recording of flows and stocks. Flows reflect the creation, transformation, exchange, transfer or extinction of economic value. They involve changes in the volume, composition or value of a unit's assets, liabilities and net worth. Stocks refer to a unit's holdings of assets, liabilities and net worth at a point in time.

Two types of flows are distinguished: transactions and other economic flows.

- Transactions represent flows that come about as a result of mutually agreed interactions between units or within a single unit. (A single unit action is treated as a transaction because the unit is viewed in these cases as acting in two separate capacities simultaneously. For example, an owner of a fixed asset also consumes its services meaning that consumption of fixed capital can be treated as a transaction.) Despite their compulsory nature, taxes are transactions that are deemed to occur by mutual agreement between the government and the taxpayer.
- Other economic flows represent changes to stocks that do not result from a transaction. Other economic flows arise from changes to stocks caused by price movements (revaluations), including interest and exchange rate movements, and phenomena such as discoveries, depletion and destruction.

GFS OPERATING STATEMENT

The operating statement presents details of transactions in GFS revenues, GFS expenses and the net acquisition of non-financial assets (net capital investment) for an accounting period.

GFS revenues are broadly defined as transactions that increase net worth and GFS expenses as transactions that decrease net worth.

Net acquisition of non-financial assets equals gross fixed capital formation, less depreciation, plus changes (investment) in inventories and plus other transactions in non-financial assets.

Fiscal balance (or GFS net lending/borrowing) is an analytical balance in the GFS operating statement. It is calculated as revenues less expenses less the net acquisition of non-financial assets. It measures in accrual terms the gap between government savings plus net capital transfers and investment in non-financial assets. As such, it measures the contribution of the Commonwealth general government sector to the balance on the current and capital accounts in the balance of payments.

A fiscal balance surplus indicates that the Commonwealth is placing financial resources at the disposal of other sectors (ie it is lending). A fiscal deficit indicates that the Commonwealth is utilising the financial resources of other sectors (ie it is borrowing). Thus, fiscal balance can be viewed as a global indicator of the financial impact of Commonwealth Government operations on the rest of the economy.

BALANCE SHEET

The balance sheet shows stocks of assets, liabilities and GFS net worth. Net debt is also reported in the balance sheet.

Net worth for the general government sector is defined as assets less liabilities. (For the public financial corporations (PFC) and public non-financial corporations (PNFC) sectors the formula becomes assets less liabilities less shares and other contributed capital.) Net worth is an economic measure of wealth. It reflects the contribution of the Commonwealth to the wealth of Australia.

Net debt is defined as the sum of selected financial liabilities (deposits held; advances received; and borrowing) minus the sum of selected financial assets (cash and deposits; advances paid; and investments, loans and placements). Net debt measures the indebtedness of the Commonwealth.

CASH FLOW STATEMENT

The cash flow statement identifies how cash is generated and applied in a single accounting period. 'Cash' means cash on hand (notes and coins held and deposits held at call with a bank or other financial institution) and cash equivalents (highly liquid investments that are readily convertible to cash on hand at the investor's option and overdrafts considered integral to the cash management function).

The cash flow statement reflects a cash basis of recording (rather than an accrual basis) where the information has been derived indirectly from underlying accrual transactions and movements in balances. This, in effect, means that transactions are captured when cash is received or when cash payments are made. Cash transactions

are specifically identified because cash management is considered an integral function of accrual budgeting.

The underlying cash balance (GFS surplus/deficit) is an analytical balance in the cash flow statement. For the general government sector it is calculated as:

Net cash flows from operating activities	
<i>plus</i>	net cash flows from investments in non-financial assets
<i>less</i>	acquisitions of assets acquired under finance leases and similar arrangements

The underlying cash balance is the cash based counterpart of the fiscal balance. It is a broad indicator of the Commonwealth's cash flow requirements. An underlying cash surplus reflects the extent to which cash is available to the Commonwealth to either increase its financial assets or decrease its liabilities (assuming no revaluations and other changes occur). An underlying cash deficit measures the extent to which the Commonwealth requires cash, either by running down its financial assets or by drawing on the cash reserves of other sectors.

The underlying cash balance measure described here is conceptually the same as the underlying cash balance used in the former cash budgeting system. In practice, however, the underlying cash balance in the accrual framework is derived using different methodologies, which results in a break in the time series across the two systems.

SECTORAL CLASSIFICATIONS

Data are presented by institutional sector. Institutional sector distinguishes between the general government sector, the PNFC sector and the PFC sector.

Budget reporting focuses on the general government sector. This sector provides public services that are mainly non-market in nature, and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, although user charging and external funding have increased in recent years. This sector comprises all government departments, offices and some other bodies.

The PNFC sector comprises bodies that provide goods and services that are mainly market, non-regulatory and non-financial in nature, financed predominantly through sales to the consumers of these goods and services. In general, PNFCs are legally distinguishable from the governments that own them. The PNFC sector includes Australia Post, Port Authorities and Railways.

Together the general government sector and the PNFC sector comprise the non-financial public sector.

The GFS coverage of the public sector also includes PFCs. These bodies are engaged in financial intermediation services or auxiliary financial services. They are able to incur financial liabilities on their own account. This sector includes the Reserve Bank of Australia.

The total public sector comprises all sectors of government — general government, the PNFC sector and the PFC sector.

Part II: *AAS31 Financial Reporting by Governments* Primary Financial Statements

This part presents financial statements that have been prepared on an accrual basis in accordance with applicable Australian Accounting Standards, including Australian Accounting Standard No. 31 *Financial Reporting by Governments* (AAS31), except where departures from the standard are identified in Note 1.

Table 8: Statement of revenues and expenses for the Commonwealth general government sector — AAS31

	Note	1999-00 Estimate at 2000-01 Budget \$m	Month of June 2000 \$m	1999-00 Outcome \$m
Revenues				
Taxation				
Income tax	3	112,617	9,637	113,687
Indirect tax	4	33,468	2,591	33,534
Fringe benefits tax		3,340	186	3,424
Other taxes		1,859	316	1,811
Total taxation revenue		151,284	12,730	152,457
Non-taxation				
Sales of goods and services		2,748	146	2,829
Interest and dividends	5	9,624	264	9,605
Net foreign exchange gains		0	286	308
Net gains from sales of assets		1,333	35	1,483
Other sources of non-tax revenue	6	3,043	606	3,239
Total non-tax revenue		16,748	1,338	17,465
Total revenue		168,032	14,068	169,921
Expenses				
Goods and services				
Employees	7	16,121	3,712	18,011
Suppliers	8	13,335	1,186	11,965
Depreciation and amortisation	9	2,533	464	2,642
Net write down of assets		1,056	598	1,929
Net foreign exchange losses		397	-476	1,113
Net losses from the sale of assets		51	11	29
Other goods and services expenses		4,759	-50	4,324
Total goods and services		38,253	5,445	40,013
Subsidies benefits and grants				
Personal benefits		60,942	5,622	61,355
Subsidies		5,382	811	5,501
Grants	10	45,212	2,493	44,638
Total subsidies benefits and grants		111,536	8,926	111,494
Interest on debt		8,575	1,063	9,039
Other financing costs		28	-138	-138
Interest and other financing		8,604	924	8,900
Total expenses		158,392	15,296	160,408
Operating result		9,640	-1,226	9,514
Abnormal Items		11,999	-925	13,382
Operating result after abnormal items		21,639	-2,152	22,896

Table 9: Balance sheet for the Commonwealth general government sector – AAS31

	Note	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Assets			
Financial assets			
Cash		885	3,556
Receivables		29,327	28,711
Investments		37,203	39,825
Accrued revenue		526	482
Other financial assets		134	4
Total financial assets		68,075	72,578
Non-financial assets			
	11		
Land and buildings		15,914	16,233
Infrastructure		34,258	38,001
Intangibles		831	818
Inventories		2,818	3,086
Other non-financial assets		1,407	1,365
Total non-financial assets		55,227	59,503
Total assets		123,302	132,082
Liabilities			
Debt			
Government securities		78,947	76,448
Loans		5,966	6,310
Leases		340	313
Deposits		9	233
Overdrafts		2	0
Other debt		2,946	3,396
Total debt		88,210	86,700
Provisions and payables			
Employees	12	76,781	81,816
Suppliers		1,256	1,343
Personal benefits payable		1,999	2,279
Subsidies payable		257	354
Grants payable	13	6,771	7,565
Other provisions and payables		3,559	4,912
Total provisions and payables		90,623	98,271
Total liabilities		178,833	184,971
Net assets		-55,532	-52,890
Equity			
Accumulated results		-86,385	-86,048
Reserves		30,854	33,159
Capital		0	0
Total equity		-55,532	-52,890

Table 10: Statement of cash flows for the Commonwealth general government sector – AAS31

	Note	1999-00 Estimate at 2000-01 Budget \$m	Month of June 2000 \$m	1999-00 Outcome \$m
Operating activities				
Cash received				
Taxes	14	149,023	18,671	151,409
Sales of goods and services		2,933	221	3,004
Interest		2,957	287	2,867
Dividends		5,920	80	6,003
Other		2,535	-70	2,000
Total operating cash received		163,367	19,188	165,283
Cash used				
Payments to employees		15,595	1,204	15,006
Payments to suppliers		13,310	1,455	11,480
Subsidies paid		5,238	719	5,233
Personal benefits		60,473	5,609	60,568
Grant payments		45,008	2,349	44,350
Interest and other financing costs		9,125	747	9,050
Other		4,528	-147	4,023
Total operating cash used		153,277	11,935	149,710
Net cash from operating activities		10,091	7,253	15,573
Investing activities				
Cash received				
Proceeds from asset sales program		10,051	11	10,106
Proceeds from sales of property, plant and equipment and intangibles		2,223	494	2,417
Net loans, advances and HECS		0	233	0
Other net investing cash received		0	7	18
Total investing cash received		12,274	745	12,541
Cash used				
Purchase of property, plant and equipment and intangibles		4,393	1,683	5,226
Net loans, advances and HECS		441	0	380
Other net investing cash paid		10,424	1,108	10,263
Total investing cash used		15,258	2,791	15,869
Net cash from investing activities		-2,984	-2,046	-3,328
Financing activities				
Cash received				
Other		203	-1,252	0
Net cash received from currency issues		0	0	0
Total financing cash received		203	-1,252	0
Cash used				
Net repayments of borrowings		8,002	1,832	10,089
Other		0	173	173
Total financing cash used		8,002	2,005	10,262
Net cash from financing activities		-7,798	-3,257	-10,262
Net increase/decrease in cash held		-692	1,950	1,983

STATISTICS, CONCEPTS AND NOTES TO THE FINANCIAL STATEMENTS

Note 1: External reporting standards — AAS31

The financial statements included in the Final Budget Outcome have been prepared on an accrual basis in accordance with applicable Australian accounting standards, including *Australian Accounting Standard No. 31 Financial Reporting by Governments* (AAS31). AAS31 is the relevant accounting standard for financial reporting by governments.

AAS31 requires adoption of the full accrual basis of accounting. This means that assets, liabilities, revenues and expenses are recorded in financial statements when they have their economic impact on the government, rather than when the cash flow associated with these transactions occurs. Consistent with AAS31, a statement of revenues and expenses, a balance sheet and a statement of cash flows have been prepared using results for 1999-2000.

The accounting policies in the Final Budget Outcome are generally consistent with the accounting policies in AAS31. While the scope for financial reporting recommended in AAS31 is the whole of government (that is, the Commonwealth public sector), in accordance with the *Charter of Budget Honesty Act 1998*, the presentation of financial results covers the general government sector only.

In relation to taxation revenue, AAS31 suggests revenue be recognised at the time the income (or economic activity) giving rise to a tax liability occurs, where this can be measured *reliably*. At this stage, the Commonwealth does not consider its taxation revenues can be reliably measured on this basis for Final Budget Outcome reporting purposes. Taxation revenue in the Final Budget Outcome is therefore recognised at the time a taxpayer makes a self-assessment or when the Australian Taxation Office (ATO) or the Australian Customs Service (ACS) raises a tax assessment.

The Commonwealth collected a number of taxes on an agency basis for the states and territories, principally 'safety net' surcharge collections until 1 July 2000 (which replaced business franchise fees). The revenue from these taxes was passed to state and territory governments (with an adjustment for administration costs in the case of safety net revenue). Estimates of taxes collected by the Commonwealth and passed to state and territory governments are provided in Note 4.

Non-accounting standard classifications have been used in different sections of the Final Budget Outcome. Functional classifications used in some tables are based on standards maintained by the ABS, but have been extended in some cases to provide greater detail.

Note 2: Reconciliation of cash

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Operating result (revenues less expenses)	9,640	9,514
less Revenues not providing cash		
Foreign exchange gains	0	295
Gains from asset sales programme	0	14
Gains from sale of assets	1,333	1,498
Other	116	170
Total revenues not providing cash	1,449	1,976
plus Expenses not requiring cash		
Increase/(Decrease) in employee entitlements	1,507	2,795
Depreciation/amortisation expense	2,533	2,642
Provision for bad and doubtful debts	103	362
Provision for diminution in value of assets	0	779
Losses from asset sales programme	0	0
Losses from sale of assets	45	30
Foreign exchange losses	397	1,114
Other	14	-101
Total expenses not requiring cash	4,599	7,620
plus Cash provided by working capital items		
Decrease in inventories	0	0
Decrease in receivables	0	0
Decrease in other financial assets	0	0
Decrease in other non-financial assets	79	66
Increase in benefits subsidies and grants payable	697	1,110
Increase in suppliers' liabilities	0	58
Increase in other provisions and payables	0	1,146
Total cash provided by working capital items	775	2,381
less Cash used by working capital items		
Increase in inventories	184	26
Increase in receivables	2,152	1,751
Increase in other financial assets	38	189
Decrease in other non-financial assets	0	0
Decrease in other provisions and payables	992	0
Decrease in suppliers' liabilities	108	0
Total cash used by working capital items	3,475	1,967
equals <i>Net cash from/(to) operating activities</i>	10,091	15,573
<i>Net cash from/(to) investing activities</i>	-2,984	-3,328
Net cash from operating activities and investment	7,106	12,245
<i>Net cash from/(to) financing activities</i>	-7,798	-10,262
equals Net (decrease)/increase in cash	-692	1,983

Note 3: Income tax^(a)

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Income tax		
Individuals -		
Gross PAYE	76,727	76,679
Gross other individuals	13,518	14,232
Gross prescribed payments system	3,157	3,159
Refunds	10,890	10,909
Total individuals	82,512	83,161
Companies	23,666	23,982
Superannuation funds	3,893	3,912
Withholding tax	1,411	1,428
Petroleum resource rent tax	1,135	1,205
Total income tax	112,617	113,687

- (a) On a GFS basis (Part I), it was reported that the companies tax revenue outcome for 1999-2000 was around \$1.1 billion higher than the 2000-01 Budget estimate. However, on a AAS31 basis, the companies tax revenue outcome exceeded the estimate by only \$0.3 billion. This reflects the inclusion of a technical accounting provision for credit amendment of around \$0.8 billion in relation to a High Court ruling on the taxation of general insurers. A response to prevent this loss of revenue has been announced by the Government and will be introduced into Parliament during 2000-01. Upon passage of this legislation, the provision will be unwound. This treatment under AAS31 will give the effect of shifting revenue from 1999-2000 into 2000-01. However, under the GFS framework, these offsetting accounting entries for 1999-2000 and 2000-01 are not required.

Note 4: Indirect tax

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Petroleum excise duty	14,028	13,985
<i>Of which revenue replacement</i>	2,610	2,567
<i>Less transfer to states and territories in relation to revenue replacement</i>	2,610	2,567
Petroleum excise duty revenue	11,419	11,418
Other excise duty	5,918	5,841
<i>Of which revenue replacement</i>	3,139	3,169
<i>Less transfer to states and territories in relation to revenue replacement</i>	3,135	3,167
Other excise duty revenue	2,783	2,674
Total excise duty	19,946	19,825
<i>Of which revenue replacement</i>	5,749	5,736
<i>Less transfer to states and territories in relation to revenue replacement</i>	5,744	5,734
Total excise duty revenue	14,202	14,091
Customs duty	3,939	3,967
<i>Of which revenue replacement</i>	170	168
<i>Less transfer to states and territories in relation to revenue replacement</i>	169	168
Customs duty revenue	3,770	3,799
Other indirect taxes	16,551	16,672
<i>Of which revenue replacement</i>	1,057	1,029
<i>Less transfers to states and territories in relation to revenue replacement</i>	1,054	1,028
Other indirect tax revenue	15,497	15,644
Mirror taxes	171	0
<i>Less transfers to states and territories in relation to mirror revenue</i>	171	0
Mirror tax revenue(a)	0	0
Indirect tax revenue	33,468	33,534

- (a) There has to date been no mirror taxes paid to the Commonwealth because the States need to enter into arrangements with the Commonwealth for their State Revenue Offices to collect mirror taxes in order to bring the mirror tax regime into effect.

Note 5: Interest and dividends

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Interest		
Interest from other governments		
State and territory debt	177	148
Housing agreements	191	191
Local government	0	0
Other	0	0
Total interest from other governments	368	339
Interest from other sources		
Swap interest	1,943	1,959
Advances	39	1
Deposits	11	20
Bills receivable	5	10
Bank deposits	242	26
Other	418	571
Total interest from other sources	2,660	2,587
Total interest	3,028	2,926
Dividends		
Dividends from associated entities	6,571	6,641
Other dividends	25	38
Total dividends	6,596	6,679
Total interest and dividends	9,624	9,605

Note 6: Other sources of non-taxation revenue

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Industry contributions	73	77
Indexation on HECS receivable and other student loans	103	130
International Monetary Fund related revenue	78	79
Other	2,789	2,953
Total other sources of non-taxation revenue	3,043	3,239

Note 7: Employee expenses

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Salaries and wages	8,875	9,128
Leave and other entitlements	265	862
Separations and redundancies	85	152
Workers compensation premiums	162	0
Other (including superannuation)	6,734	7,869
Total employee expenses	16,121	18,011

Note 8: Suppliers expenses

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Supply of goods and services	10,459	10,709
Operating lease rental expenses	829	1,229
Other	2,046	27
Total suppliers expenses	13,335	11,965

Note 9: Depreciation and amortisation

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Depreciation		
Specialist military equipment	1,172	1,253
Buildings	443	520
Other infrastructure, plant and equipment	733	666
Total depreciation	2,347	2,439
Total amortisation	186	203
Total depreciation and amortisation	2,533	2,642

Note 10: Grants

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
State and territory governments	35,443	35,462
Non-profit organisations	1,015	1,770
Overseas	241	268
Private sector	577	531
Local governments	231	206
Other	7,706	6,400
Total grants	45,212	44,638

Note 11: Total non-financial assets

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Land and buildings		
Land	3,926	4,097
Buildings	11,989	12,136
Total land and buildings	15,914	16,233
Infrastructure		
Specialist military equipment	25,752	29,210
Other	8,506	8,791
Total infrastructure	34,258	38,001
Intangibles		
Computer software	600	780
Other	230	38
Total intangibles	831	818
Inventories	2,818	3,086
Total inventories	2,818	3,086
Other non-financial assets		
Prepayments	1,335	1,142
Other	71	223
Total other non-financial assets	1,407	1,365
Total non-financial assets	55,227	59,503

Note 12: Employee liabilities

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Superannuation	71,350	75,802
Leave and other entitlements	2,986	3,144
Accrued salaries and wages	224	302
Workers compensation claims	1,085	1,194
Separations and redundancies	41	49
Workers compensation premiums	0	1
Other	1,094	1,323
Total employee entitlements	76,781	81,816

Note 13: Grants payable

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
State and territory governments	2,265	2,726
Non-profit organisations	28	25
Private sector	4	1
Overseas	1,112	1,111
Local governments	1	1
Other	3,361	3,701
Total grants payable	6,771	7,565

Note 14: Taxes

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Total taxes	156,403	158,339
<i>Less payments to states and territories in relation to revenue replacement</i>	6,968	6,930
<i>Less payments to states and territories in relation to mirror tax revenue(a)</i>	412	0
Taxes	149,023	151,409

- (a) There has to date been no mirror taxes paid to the Commonwealth because the States need to enter into arrangements with the Commonwealth for their State Revenue Offices to collect mirror taxes in order to bring the mirror tax regime into effect.

Part III: Government Finance Statistics Statements

The Commonwealth, states and territories have an agreed framework — *the Accrual Uniform Presentation Framework* (UPF) — for the presentation of government financial information on a basis consistent with the ABS Government Finance Statistics (GFS) publication. Data in this part are presented in accordance with this framework.

From 1999-2000 onwards, the ABS is compiling GFS data on an accrual accounting rather than a cash accounting basis. This accrual GFS framework reflects the principles contained in the international standards set out in the United Nations' (UN) *A System of National Accounts, 1993* (SNA93), and in the International Monetary Fund's (IMF) *A Manual on Government Finance Statistics* (currently under revision). The first presentation by the ABS of public finance statistics on an accrual accounting basis was in the April 2000 issue of *Government Financial Estimates, Australia for 1999-2000* (Cat. No. 5501.0).

Table 11: General government sector operating statement

	1999-00 Outcome \$m
GFS revenue	
Taxation revenue	152,576
Current grants and subsidies	0
Sales of goods and services	2,996
Interest income	967
Other	10,078
Total GFS revenue(a)	166,617
GFS expenses	
Gross operating expenses	
Depreciation	2,642
Superannuation	1,331
Other operating expenses	38,365
Total gross operating expenses	42,338
Nominal superannuation interest expense	3,448
Other interest expenses	6,878
Other property expenses	0
Current transfers	
Grant expenses	44,638
Subsidy expenses	5,501
Other current transfers	50,247
Total current transfers	100,386
Capital transfers	167
Total GFS expenses(b)	153,217
Net operating balance	13,400
Net acquisition of non-financial assets	
Gross fixed capital formation	4,168
less Depreciation	2,642
plus Change in inventories	16
plus Other movements in non-financial assets	-1,611
Total net acquisition of non-financial assets	-69
Net lending/fiscal balance(c)	13,469

- (a) GFS revenue is not equal to AAS31 revenue. GFS revenue includes all (mutually agreed) transactions that increase net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS revenue. Asset sales, which involve a transfer of a non-financial asset for a financial asset, are also excluded.
- (b) GFS expenses are not equal to AAS31 expenses. GFS expenses include all (mutually agreed) transactions that decrease net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS expenses.
- (c) GFS net lending also equals net transactions in financial assets less net transactions in liabilities. The term 'fiscal balance' is not used by the ABS.

Table 12: General government sector balance sheet

	1999-00 Outcome \$m
GFS assets	
Financial assets	
Cash and deposits	3,556
Advances paid	14,324
Investments, loans and placements	18,380
Other non-equity assets	14,387
Equity	61,811
Total financial assets	112,458
Non-financial assets	
Land and fixed assets	58,138
Other non-financial assets	1,852
Total non-financial assets	59,990
Total GFS assets	172,447
GFS liabilities	
Deposits held	233
Advances received	0
Borrowing	89,133
Superannuation liability	75,802
Other employee entitlements and provisions	6,014
Other non-equity liabilities	12,870
Total GFS liabilities	184,052
Net worth(a)	-11,604
Net financial worth(b)	-71,594
Net debt(c)	53,106

(a) Net worth is calculated as assets minus liabilities.

(b) Net financial worth equals total financial assets minus total liabilities.

(c) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash deposits, advances paid and investments, loans and placements.

Table 13: General government sector cash flow statement^(a)

	1999-00 Outcome \$m
Cash receipts from operating activities	
Taxes received	150,695
Receipts from sales of goods and services	3,171
Grants/subsidies received	0
Other receipts	9,545
Total receipts	163,411
Cash payments for operating activities	
Payments for goods and services	-22,839
Grants and subsidies paid	-49,583
Interest paid	-7,321
Other payments for operating activities	-68,189
Total payments	-147,931
Net cash flows from operating activities	15,480
Cash flows from investments in non-financial assets	
Sales of non-financial assets	2,417
<i>Less</i> Purchases of new and secondhand non-financial assets	-5,226
Net cash flows from investments in non-financial assets	-2,809
Cash flows from investments in financial assets for policy purposes	
Net advances paid	9,500
Net equity acquisitions, disposals and privatisations	0
Net cash flows from investments in financial assets for policy purposes	9,500
Cash flows from investments in financial assets for liquidity purposes	
Increase in investments	-10,245
Net cash flows from investments in financial assets for liquidity purposes	-10,245
Cash flows from financing activities	
Advances received (net)	0
Borrowing (net)	-10,089
Deposits received (net)	-34
Other financing (net)	180
Net cash flows from financing activities	-9,943
Net increase/decrease in cash held	1,983
Net cash from operating activities and investments in non-financial assets	12,671
Finance leases and similar arrangements	0
Equals surplus(+)/deficit(-)(b)	12,671

(a) A positive number denotes a cash inflow; a negative sign denotes a cash outflow.

(b) Conceptually, the surplus/deficit aggregate contained in the cash flow statement is the same as the deficit measure obtained under the UPF. However, in practice, the process of deriving these aggregates differs so that the measures are not directly comparable. Time series data created by splicing these measures together should therefore be used with caution.

Table 14: Public non-financial corporations sector operating statement

	1999-00 Outcome \$m
GFS revenue	
Current grants and subsidies	251
Sales of goods and services	24,786
Interest income	96
Other	137
Total GFS revenue(a)	25,270
GFS expenses	
Gross operating expenses	
Depreciation	3,164
Other operating expenses	14,912
Total gross operating expenses	18,076
Interest expenses	837
Other property expenses	2,512
Current transfers	
Tax expenses	1,901
Other current transfers	0
Total current transfers	1,901
Capital transfers	0
Total GFS expenses(b)	23,327
Net operating balance	1,943
Net acquisition of non-financial assets	
Gross fixed capital formation	4,458
<i>less</i> Depreciation	3,164
<i>plus</i> Change in inventories	-30
<i>equals</i> Total net capital formation	1,265
<i>plus</i> Other movements in non-financial assets	-384
Total net acquisition of non-financial assets	881
Net lending/fiscal balance(c)	1,062

- (a) GFS revenue is not equal to AAS31 revenue. GFS revenue includes all (mutually agreed) transactions that increase net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS revenue. Asset sales, which involve a transfer of a non-financial for a financial asset, are also excluded.
- (b) GFS expenses are not equal to AAS31 expenses. GFS expenses include all (mutually agreed) transactions that decrease net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS expenses.
- (c) GFS net lending also equals net transactions in financial assets less net transactions in liabilities. The term 'fiscal balance' is not used by the ABS.

Table 15: Public non-financial corporations sector balance sheet

	1999-00 Outcome \$m
GFS assets	
Financial assets	
Cash and deposits	761
Advances paid	302
Investments, loans and placements	441
Other non-equity assets	4,002
Equity	603
Total financial assets	6,109
Non-financial assets	
Land and fixed assets	33,950
Other non-financial assets	1,706
Total non-financial assets	35,656
Total GFS assets	41,765
GFS liabilities	
Deposits held	0
Advances received	0
Borrowing	12,926
Provisions (other than depreciation and bad debts)	9,172
Other non-equity liabilities	2,072
Total GFS liabilities	24,171
Shares and other contributed capital	93,228
Net worth(a)	-75,634
Net financial worth(b)	-18,062
Net debt(c)	11,422

- (a) Net worth is calculated as assets minus liabilities minus shares and other contributed capital.
(b) Net financial worth equals total financial assets minus total liabilities.
(c) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash deposits, advances paid and investments, loans and placements.

Table 16: Public non-financial corporations sector cash flow statement^(a)

	1999-00 Outcome \$m
Cash receipts from operating activities	
Receipts from sales of goods and services	24,155
Grants and subsidies received	251
Other receipts	608
Total receipts	25,014
Cash payments for operating activities	
Payment for goods and services	-9,320
Interest paid	-1,302
Other payments for operating activities	-7,032
Total payments	-17,654
Net cash flows from operating activities	7,360
Cash flows from investments in non-financial assets	
Sales of non-financial assets	356
<i>Less</i> Purchases of new and secondhand non-financial assets	-5,726
Net cash flows from investments in non-financial assets	-5,370
Cash flows from investments in financial assets for policy purposes	
Net advances paid	-28
Net equity acquisitions, disposals and privatisations	0
Net cash flows from investments in financial assets for policy purposes	-28
Cash flows from investments in financial assets for liquidity purposes	
Increase in investments	-462
Net cash flows from investments in financial assets for liquidity purposes	-462
Cash flows from financing activities	
Advances received (net)	0
Borrowing (net)	3,206
Deposits received (net)	0
Distributions paid (net)	-4,584
Other financing (net)	-44
Net cash flows from financing activities	-1,422
Net increase/decrease in cash held	78
Net cash from operations and investments in non-financial assets	1,990
<i>plus</i> Finance leases and similar arrangements	0
<i>plus</i> Distributions paid	-4,584
Equals surplus(+)/deficit(-)(b)	-2,594

(a) A positive number denotes a cash inflow; a negative sign denotes a cash outflow.

(b) Conceptually, the surplus/deficit aggregate contained in the cash flow statement is the same as the deficit measure obtained under the UPF. However, in practice, the process of deriving these aggregates differs so that the measures are not directly comparable. Time series data created by splicing these measures together should therefore be used with caution.

Table 17: Non-financial public sector operating statement

	1999-00 Outcome \$m
GFS revenue	
Taxation revenue	150,674
Current grants and subsidies	0
Sales of goods and services	27,782
Interest income	1,041
Other	8,871
Total GFS revenue(a)	188,368
GFS expenses	
Gross operating expenses	
Depreciation	5,806
Other operating expenses	54,609
Total gross operating expenses	60,414
Nominal superannuation interest expense	3,448
Other interest expenses	7,692
Other property expenses	1,169
Current transfers	
Grant expenses	44,638
Subsidy expenses	5,250
Other current transfers	50,247
Total current transfers	100,135
Capital transfers	167
Total GFS expenses(b)	173,026
Net operating balance	15,343
Net acquisition of non-financial assets	
Gross fixed capital formation	8,626
<i>less</i> Depreciation	5,806
<i>plus</i> Change in inventories	-14
<i>plus</i> Other movements in non-financial assets	-1,995
Total net acquisition of non-financial assets	812
Net lending/fiscal balance(c)	14,530

- (a) GFS revenue is not equal to AAS31 revenue. GFS revenue includes all (mutually agreed) transactions that increase net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS revenue. Asset sales, which involve a transfer of a non-financial for a financial asset, are also excluded.
- (b) GFS expenses are not equal to AAS31 expenses. GFS expenses include all (mutually agreed) transactions that decrease net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS expenses.
- (c) GFS net lending also equals net transactions in financial assets less net transactions in liabilities. The term 'fiscal balance' is not used by the ABS.

Table 18: Non-financial public sector balance sheet

	1999-00 Outcome \$m
GFS assets	
Financial assets	
Cash and deposits	4,317
Advances paid	14,626
Investments, loans and placements	18,821
Other non-equity assets	18,388
Equity	12,717
Total financial assets	68,869
Non-financial assets	
Land and fixed assets	92,088
Other non-financial assets	3,558
Total non-financial assets	95,646
Total GFS assets	164,515
GFS liabilities	
Deposits held	233
Advances received	0
Borrowing	102,059
Superannuation liability	75,802
Other employee entitlements and provisions	15,186
Other non-equity liabilities	14,942
Total GFS liabilities	208,223
Shares and other contributed capital	43,531
Net worth(a)	-87,238
Net financial worth(b)	-139,354
Net debt(c)	64,528

(a) Net worth is calculated as assets minus liabilities minus shares and other contributed capital.

(b) Net financial worth equals total financial assets minus total liabilities.

(c) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash deposits, advances paid and investments, loans and placements.

Table 19: Non-financial public sector cash flow statement^(a)

	1999-00 Outcome \$m
Cash receipts from operating activities	
Taxes received	148,794
Receipts from sales of goods and services	27,326
Grants and subsidies received	0
Other receipts	8,021
Total receipts	184,141
Cash payments for operating activities	
Payments for goods and services	-24,141
Grants and subsidies paid	-49,332
Interest paid	-16,618
Other payments for operating activities	-73,320
Total payments	-163,410
Net cash flows from operating activities	20,731
Cash flows from investments in non-financial assets	
Sales of non-financial assets	2,773
<i>Less</i> Purchases of new and secondhand non-financial assets	-10,952
Net cash flows from investments in non-financial assets	-8,179
Cash flows from investments in financial	
Assets for policy purposes	
Net advances paid	9,500
Net equity acquisitions, disposals and privatisations	-28
Net cash flows from investments in financial assets for policy purposes	9,472
Cash flows from investments in financial assets for liquidity purposes	
Increase in investments	-10,707
Net cash flows from investments in financial assets for liquidity purposes	-10,707
Cash flows from financing activities	
Advances received (net)	0
Borrowing (net)	-6,883
Deposits received (net)	-34
Distributions paid (net)	-2,475
Other financing (net)	136
Net cash flows from financing activities	-9,257
Net increase/decrease in cash held	2,061
Net cash from operating activities and investments in non-financial assets	12,552
<i>plus</i> Finance leases and similar arrangements	0
<i>plus</i> Distributions paid	-2,475
Equals surplus(+)/deficit(-)(b)	10,077

(a) A positive number denotes a cash inflow; a negative sign denotes a cash outflow.

(b) Conceptually, the surplus/deficit aggregate contained in the cash flow statement is the same as the deficit measure obtained under the UPF. However, in practice, the process of deriving these aggregates differs so that the measures are not directly comparable. Time series data created by splicing these measures together should therefore be used with caution.

Table 20: Public financial corporations sector operating statement

	1999-00 Outcome \$m
GFS revenue	
Current grants and subsidies	111
Sales of goods and services	1,570
Interest income	2,730
Other	27
Total GFS revenue(a)	4,438
GFS expenses	
Gross operating expenses	
Depreciation	20
Other operating expenses	1,707
Total gross operating expenses	1,727
Interest expenses	1,003
Other property expenses	817
Current transfers	
Tax expenses	-21
Other current transfers	0
Total current transfers	-21
Capital transfers	0
Total GFS expenses(b)	3,527
Net operating balance	911
Net acquisition of non-financial assets	
Gross fixed capital formation	23
<i>less</i> Depreciation	20
<i>plus</i> Change in inventories	-3
<i>equals</i> Total net capital formation	0
<i>plus</i> Other movements in non-financial assets	144
Total net acquisition of non-financial assets	144
Net lending/fiscal balance(c)	767

- (a) GFS revenue is not equal to AAS31 revenue. GFS revenue includes all (mutually agreed) transactions that increase net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS revenue. Asset sales, which involve a transfer of a non-financial for a financial asset, are also excluded.
- (b) GFS expenses are not equal to AAS31 expenses. GFS expenses include all (mutually agreed) transactions that decrease net worth. Revaluations are not considered mutually agreed transactions, and so are excluded from GFS expenses.
- (c) GFS net lending also equals net transactions in financial assets less net transactions in liabilities. The term 'fiscal balance' is not used by the ABS.

Table 21: Public financial corporations sector balance sheet

	1999-00 Outcome \$m
GFS assets	
Financial assets	
Cash and deposits	904
Advances paid	2,947
Investments, loans and placements	56,587
Other non-equity assets	967
Equity	641
Total financial assets	62,047
Non-financial assets	
Land and fixed assets	332
Other non-financial assets	405
Total non-financial assets	737
Total GFS assets	62,784
GFS liabilities	
Deposits held	40,930
Advances received	0
Borrowing	9,850
Provisions (other than depreciation and bad debts)	2,278
Other non-equity liabilities	169
Total GFS liabilities	53,227
Shares and other contributed capital	9,557
Net worth(a)	0
Net financial worth(b)	8,820
Net debt(c)	-9,658

- (a) Net worth is calculated as assets minus liabilities minus shares and other contributed capital.
(b) Net financial worth equals total financial assets minus total liabilities.
(c) Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash deposits, advances paid and investments, loans and placements.

Table 22: Public financial corporations sector cash flow statement^(a)

	1999-00 Outcome \$m
Cash receipts from operating activities	
Receipts from sales of goods and services	1,603
Grants and subsidies received	107
Other receipts	2,706
Total receipts	4,416
Cash payments for operating activities	
Payment for goods and services	-231
Interest paid	-915
Other payments for operating activities	-1,461
Total payments	-2,607
Net cash flows from operating activities	1,809
Cash flows from investments in non-financial assets	
Sales of non-financial assets	1
<i>Less</i> Purchases of new and secondhand non-financial assets	-25
Net cash flows from investments in non-financial assets	-24
Cash flows from investments in financial assets for policy purposes	
Net advances paid	-240
Net equity acquisitions, disposals and privatisations	0
Net cash flows from investments in financial assets for policy purposes	-240
Cash flows from investments in financial assets for liquidity purposes	
Increase in investments	-4,840
Net cash flows from investments in financial assets for liquidity purposes	-4,840
Cash flows from financing activities	
Advances received (net)	0
Borrowing (net)	-271
Deposits received (net)	6,948
Distributions paid (net)	-3,013
Other financing (net)	-282
Net cash flows from financing activities	3,382
Net increase/decrease in cash held	87
Net cash from operations and investments in non-financial assets	1,785
<i>plus</i> Finance leases and similar arrangements	0
<i>plus</i> Distributions paid	-3,013
Equals surplus(+)/deficit(-)(b)	-1,228

(a) A positive number denotes a cash inflow; a negative sign denotes a cash outflow.

(b) Conceptually, the surplus/deficit aggregate contained in the cash flow statement is the same as the deficit measure obtained under the UPF. However, in practice, the process of deriving these aggregates differs so that the measures are not directly comparable. Time series data created by splicing these measures together should therefore be used with caution.

The UPF also requires publication of data on general government sector expenses by function. The data are not shown in this part as they have been published earlier, in Table 2 in Part I.

LOAN COUNCIL ALLOCATION

Under Loan Council arrangements, every year the Commonwealth and each state and territory nominate a Loan Council Allocation (LCA). A jurisdiction's LCA incorporates:

- the estimated non-financial public sector cash deficit (made up of the deficits from the general government and public non-financial corporations sectors);
- net cash flows from investments in financial assets for policy purposes. Such transactions involve the transfer or exchange of a financial asset and are not included within the cash deficit. However, the cash flow from investments in financial assets for policy purposes has implications for a government's call on financial markets; and
- memorandum items, such as transactions that, while not formally borrowings, have many of the transactions characteristic of borrowing.

LCA nominations are considered by the Loan Council, having regard to each jurisdiction's fiscal position and reasonable infrastructure requirements, as well as the macroeconomic implications of the aggregate figure.

The Commonwealth nominated, and the Loan Council endorsed, an LCA surplus for 1999-2000 of \$14.4 billion. In its May 1999 Budget the Commonwealth estimated an increased LCA surplus of \$22.3 billion. The difference between the two estimates reflected an improvement in the general government surplus, primarily due to changes in the proposed method and timing of the sale of Telstra.

As set out in Table 23, the Commonwealth's 1999-2000 LCA outcome is a \$21.5 billion surplus, compared with the 1999-2000 Budget estimate of \$22.3 billion. There has been a decrease in net cash flows from investments in financial assets for policy purposes. This change reflects a move in the timing of receipts from the sale of the second tranche of Telstra, with the final instalment of payments for Telstra 2 shares due in 2000-01 rather than 1999-2000 as anticipated in the 1999-2000 Budget.

Table 23: Commonwealth Loan Council Allocation for 1999-2000

	Estimate from 1999-00 Budget \$m	1999-00 Outcome \$m
General government sector cash deficit	-5,208	-12,671
PNFC sector cash deficit	748	2,594
Non-financial public sector cash deficit	-4,460	-10,077
<i>minus</i> Net cash flows from investments in financial assets for policy purposes(a)	17,827	9,472
<i>plus</i> Memorandum items(b)	34	-1,938
Loan Council Allocation	-22,253	-21,487

- (a) Such transactions involve the transfer or exchange of a financial asset and are not included within the cash deficit. However, the cash flow from investments in financial assets for policy purposes has implications for a government's call on financial markets.
- (b) For the Commonwealth, memorandum items comprise the change in net present value (NPV) of operating leases (with NPV greater than \$5 million), university borrowings, overfunding of superannuation and an adjustment to exclude the net financing requirements of statutory marketing authorities and Telstra from the LCA.

Part IV: Federal Financial Relations

This part provides information concerning general revenue assistance, revenue replacement payments and specific purpose payments to the states in 1999-2000. The information supplements material provided in *Budget Paper No. 3, Federal Financial Relations, 2000-01*.

GENERAL REVENUE ASSISTANCE

In 1999-2000, general revenue assistance to the states comprised financial assistance grants (FAGs), national competition payments (NCPs) and special revenue assistance (SRA). In contrast to most specific purpose payments, general revenue assistance is not required to be spent by the states in a specified area.

As shown below in Table 24, the level of FAGs in 1999-2000 was \$17,299.0 million. This is similar to the 2000-01 Budget estimate of \$17,299.4 million, with the impact of a lower than expected CPI outcome offsetting higher than expected population growth.

Table 24: Level of financial assistance grants

	\$m
1999-2000 base FAGs(a)	16,780.1
Plus adjustment for CPI(b)	310.7
Plus per capita terms adjustment(c)	208.2
Equals 1999-2000 FAGs	17,299.0

- (a) The amount set by the *States Grants (General Purposes) Act 1994* (the Act) as base assistance for 1999-2000.
- (b) The adjustment is based on an index factor calculated by dividing the sum of CPI index numbers for the four quarters to the March quarter 2000 (495.0) by the sum of CPI index numbers for the four quarters to the March quarter 1999 (486.0).
- (c) This adjustment is based on an index factor calculated by dividing the estimated total population of 19,077,616 at 31 December 1999 by the estimated population of 18,848,016 at 31 December 1998.

Table 25 shows the distribution of FAGs for 1999-2000. This distribution differed from the estimates shown in *2000-01 Budget Paper No. 3* for the following reasons.

- The 31 December 1998 and 31 December 1999 population determinations made by the Australian Statistician on 8 June 2000 differed from the population estimates at the time of the 1999-2000 Budget.
- The final determination of unquarantined health care grants (HCGs) for 1999-2000 made by the Minister for Health and Aged Care differed from the 2000-01 Budget estimates of unquarantined HCGs.

Table 25: Financial assistance grants to the States

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
(1) Population as at 31 December 1999 (000's)(a)	6451.7	4741.5	3539.5	1873.8	1495.8	469.9	311.2	194.3	19077.6
(2) Per capita relativities(b)	0.89948	0.86184	1.00687	0.94793	1.2068	1.60905	1.1027	4.84429	na
(3) Weighted populations (000's) - (1) times (2)	5803.1	4086.4	3563.8	1776.3	1805.2	756.0	343.1	941.1	19075.1
(4) Share of each state in weighted population (per cent)(c)	30.4	21.4	18.7	9.3	9.5	4.0	1.8	4.9	100.0
(5) FAGs and unquarantined HCGs according to (4) (\$m)	7017.7	4941.7	4309.7	2148.0	2183.0	914.3	415.0	1138.1	23067.4
(6) Unquarantined HCGs (\$m)	1973.6	1412.6	1060.2	556.7	499.4	128.5	73.2	64.3	5768.3
(7) Total FAGs - (5) less (6) (\$m)	5044.1	3529.1	3249.5	1591.4	1683.6	785.8	341.8	1073.8	17299.0

(a) The population as at 31 December 1999 was determined by the Australian Statistician in accordance with the Act.

(b) The per capita relativities adopted at the 1999 Premiers' Conference were applied in 1999-2000 in accordance with the Act.

(c) For ease of presentation, weighted population shares rounded to one decimal place are shown. However, in calculating row (5), unrounded shares are used in accordance with the Act.

Details of NCPs in 1999-2000 are shown in Table 26. NCPs are distributed between the states on an equal per capita basis and payment is subject to satisfactory progress under the *Agreement to Implement the National Competition Policy and Related Reforms*.

Table 26: National competition payments

NSW \$m	VIC \$m	QLD \$m	WA \$m	SA \$m	TAS \$m	ACT \$m	NT \$m	Total \$m
148.6	109.2	81.5	43.2	34.5	10.8	7.2	4.5	439.4

In 1999-2000, in accordance with the recommendation of the Commonwealth Grants Commission, special revenue assistance of \$13.2 million was paid to the Australian Capital Territory for transitional allowances and special fiscal needs.

In accordance with the 1996 Premiers' Conference agreement, untied funds previously paid to the states as identified road grants were absorbed into the FAGs pool in 1997-98. Table 27 shows the equivalent amount of each state's FAGs in 1999-2000.

Table 27: Addition to financial assistance grants from the absorption of untied identified road grants

NSW \$m	VIC \$m	QLD \$m	WA \$m	SA \$m	TAS \$m	ACT \$m	NT \$m	Total \$m
124.6	87.7	76.5	38.1	38.8	16.2	7.4	20.2	409.5

REVENUE REPLACEMENT PAYMENTS

The arrangements governing revenue replacement payments (RRPs) are set out in *Budget Paper No. 3*. All revenues collected by the Commonwealth under the 'safety net' arrangements are passed through to the States (less administrative costs) as RRP. The level of RRP was around \$38.9 million lower than estimated at the time of the 2000-01 Budget, primarily due to lower than expected collections associated with petroleum products. Details of RRP made to the states in 1999-2000 are set out in Table 28.

Table 28: Revenue replacement payments to the States^(a)

			NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Tobacco	Share	(per cent)	32.5	21.8	19.1	11.1	9.0	3.2	1.5	1.9	
	Amount	(\$m)	1082.7	726.5	635.3	369.9	299.5	107.5	48.5	62.3	3332.2
Petroleum	Share	(per cent)	30.0	20.2	19.6	17.1	7.5	2.5	1.3	1.8	
	Amount	(\$m)	771.8	517.8	503.4	439.8	194.0	63.0	33.2	46.4	2569.4
Alcohol	Share	(per cent)	33.8	22.3	19.3	11.1	7.9	2.4	1.6	1.6	
	Amount	(\$m)	347.3	229.5	198.5	114.6	80.8	24.8	16.1	16.1	1027.7
Total		(\$m)	2201.8	1473.8	1337.2	924.3	574.2	195.3	97.8	124.8	6929.3

(a) Payments are net of a deduction for administration costs incurred by the Commonwealth of \$2,686,216 for tobacco products, \$246,218 for petroleum products and \$1,029,537 for alcohol products.

LOCAL GOVERNMENT GENERAL PURPOSE ASSISTANCE

Table 29 provides details of Commonwealth payments to local government authorities in 1999–2000 for each of the six states and the Northern Territory, and an analogous payment made to the Australian Capital Territory.

In 1999–2000, local government general purpose assistance was increased on the basis of an annual escalation factor determined by the Treasurer. The factor reflects the underlying real per capita growth in general revenue assistance to the states. A preliminary factor of 1.0295 was determined in April 1999 and a final factor of 1.0309 was determined in June 2000, reflecting higher than expected CPI and population outcomes. This has resulted in an underpayment to local government of around \$1.7 million in 1999–2000 for which there will be an adjustment in 2000–01, as provided for under the *Local Government (Financial Assistance) Act 1995*.

Table 29: General purpose assistance for local government

	NSW \$m	VIC \$m	QLD \$m	WA \$m	SA \$m	TAS \$m	ACT \$m	NT \$m	Total \$m
Financial assistance grants	296.3	217.9	161.6	85.9	69.2	21.9	14.3	8.8	875.9
Identified road funding	112.8	80.1	72.8	59.4	21.4	20.6	12.5	9.1	388.7
Total general purpose assistance(a)	409.1	298.0	234.5	145.3	90.6	42.5	26.7	17.9	1264.5

(a) Total general purpose assistance was the actual payment that the state received on behalf of local governments in 1999–2000. It is equal to the estimated entitlement for 1999–2000, adjusted for an overpayment from 1998–99.

SPECIFIC PURPOSE PAYMENTS

Tables 30 and 31 provide information on Commonwealth specific purpose payments (SPPs) to the States and local government together with details of repayments and interest on advances (loans) to the States. The majority of these advances were funded from borrowings made on behalf of the States.

Details are classified as follows:

- SPPs
 - current;
 - captial;
- repayments of advances (including repayments to the Debt Sinking Funds);
- details of new advances made; and
- interest on Commonwealth advances.

SPP information is presented on a functional basis, which aggregates payments directed toward like objectives and purposes. SPPs are further divided into those paid 'to' the States (by far the larger group by number) and those judged to be paid 'through' the States to other groups. Payments in the latter group are indicated within the table by (*) and separate totals for 'to' and 'through' are provided in the summary at the end of the table.

Table 30: Specific purpose payments to the States, repayments of advances and interest payments

<i>Function</i> Payment Title	NSW ('000)	VIC ('000)	QLD ('000)	WA ('000)	SA ('000)	TAS ('000)	ACT ('000)	NT ('000)	Total ('000)
Specific Purpose Payments - Current Purposes									
Public order and safety									
Legal aid	31,115	0	0	8,250	9,320	3,694	3,021	2,187	57,587
Confiscated Assets Trust Fund	0	0	0	0	0	0	0	0	0
Gun Buyback Scheme	0	0	0	0	0	0	0	0	0
Film and literature classifications	78	78	78	78	77	77	76	76	618
Commonwealth Heads of Government meeting - payment to Queensland Police	0	0	0	0	0	0	0	0	0
Public order and safety - total	31,193	78	78	8,328	9,397	3,771	3,097	2,263	58,205
Education									
Advanced English for Migrants Programme (AEMP)	1,833	1,208	471	376	346	56	83	30	4,403
Government schools	393,700	280,164	225,330	122,061	86,075	34,669	20,634	13,934	1,176,567
* Non-government schools	874,799	706,690	489,402	253,445	199,254	55,206	56,134	22,619	2,657,549
Vocational Education and Training Funding Act(b)	316,004	228,250	158,899	85,194	80,626	27,051	18,634	12,138	926,796
Targeted and joint programmes government schools	110,162	69,325	50,714	27,266	25,762	8,837	3,833	6,075	301,974
* Targeted programmes non-government schools	51,085	43,024	19,175	11,532	11,443	2,226	2,299	1,491	142,275
Indigenous Education Strategic Initiatives Programme - government	24,621	5,828	17,020	12,454	12,241	1,976	1,037	18,542	93,719
* Indigenous Education Strategic Initiatives Programme - non-government	15,906	2,301	9,278	10,800	2,435	664	585	16,709	58,678
Education - total	1,788,110	1,336,790	970,289	523,128	418,182	130,685	103,239	91,538	5,361,961
Health									
Blood transfusion services	19,821	13,876	10,393	6,696	5,581	1,446	966	507	59,286
Health programme grants	5,655	10,466	0	16,382	36,440	600	3,029	921	73,493
Health care grants	1,999,556	1,431,395	1,081,628	569,668	503,365	129,756	74,211	65,338	5,854,917

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total
Health (continued)									
Aged care assessment	3,897	7,689	1,876	1,556	1,328	570	80	358	17,354
National Health Development Fund	0	15,856	20,156	0	0	0	0	1,900	37,912
Highly specialised drugs	86,080	59,690	36,254	16,194	16,143	4,386	3,947	2,600	225,294
Home and community care	25,205	37,225	29,684	7,410	11,400	4,251	690	162	116,027
Youth health services	720	534	375	194	176	55	49	0	2,103
Medicare related payments	0	0	0	0	0	0	0	0	0
National public health	43,879	26,858	20,922	10,600	10,899	4,978	3,134	2,869	124,139
Essential vaccines	20,483	15,814	11,431	6,297	4,515	1,582	883	580	61,585
Repatriation general hospitals	2,313	1,022	0	0	1,083	0	0	0	4,418
Health - total	2,207,609	1,620,425	1,212,719	634,997	590,930	147,624	86,989	75,235	6,576,528
Social security and welfare									
Aged care assessment	9,415	2,325	4,545	2,448	2,466	761	241	500	22,701
Home and community care	136,555	111,675	65,279	43,120	34,770	9,400	5,060	3,108	408,967
Disabilities services	116,984	77,662	69,535	25,897	44,005	13,549	4,520	3,451	355,603
Children’s services	1,019	5,262	580	161	23,729	68	101	212	31,132
Supported accommodation assistance	44,908	29,572	22,185	13,340	13,522	5,950	3,798	3,871	137,146
Unattached humanitarian minors	0	58	21	18	32	0	0	0	129
Exceptional circumstances (EC) administration	127	317	315	0	0	21	0	0	780
Extension of fringe benefits	53,998	38,603	26,954	13,573	15,357	4,932	1,096	752	155,265
Native Title	0	0	0	0	0	0	0	0	0
Social security and welfare - total	363,006	265,474	189,414	98,557	133,881	34,681	14,816	11,894	1,111,723
Housing and community amenities									
Assistance for housing	1,848	1,347	424	627	940	313	0	0	5,499
Assistance for water and sewerage	0	0	0	0	0	0	8,117	0	8,117
Tasmanian Regional Forest Agreement	0	0	0	0	0	1,600	0	0	1,600
Natural Heritage Trust - bushcare	14,962	9,141	12,686	11,042	7,710	2,195	291	3,032	61,059

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total
Housing and community amenities (continued)									
Natural Heritage Trust of Australia - Coasts and Clean Seas Initiative	3,011	4,370	1,427	2,244	1,642	2,109	86	470	15,359
Natural Heritage Trust of Australia - National Rivercare Programme	1,910	1,877	2,935	4,603	992	2,544	92	796	15,749
Natural Heritage Trust of Australia - Endangered Species Programme	566	570	679	920	257	457	47	80	3,576
Natural Heritage Trust of Australia - National Feral Animal Control Programme	242	316	117	67	137	204	137	0	1,220
Natural Heritage Trust of Australia - air pollution in major cities	0	28	0	100	95	0	0	0	223
Housing and community amenities total	22,539	17,649	18,268	19,603	11,773	9,422	8,770	4,378	112,402
Recreation and culture									
Natural Heritage Trust of Australia - National Wetlands Programme	650	428	227	262	323	138	0	142	2,170
Natural Heritage Trust of Australia - National Reserve System Programme	147	5	0	112	243	63	0	4	574
Natural Heritage Trust of Australia - World Heritage area management and upkeep	1,303	0	5,186	450	418	700	0	0	8,057
Management of World Heritage properties	0	0	0	0	0	5,070	0	0	5,070
Payments to the Sydney Organising Committee for the Olympic Games (SOCOG) for games related services	14,290	0	0	0	0	0	0	0	14,290
Contemporary music package - state pilots	0	0	0	0	500	500	0	0	1,000
Recreation and culture - total	16,390	433	5,413	824	1,484	6,471	0	146	31,161

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW ('000)	VIC ('000)	QLD ('000)	WA ('000)	SA ('000)	TAS ('000)	ACT ('000)	NT ('000)	Total
Agriculture, forestry and fishing									
Natural Heritage Trust of Australia - National Weeds Programme	0	0	0	0	0	0	0	0	0
Natural Heritage Trust of Australia - National Landcare Programme	1,012	3,312	2,092	235	2,505	3,801	589	59	13,605
Natural Heritage Trust of Australia - Farm Forestry Programme	1,874	1,093	2,209	2,086	758	843	40	136	9,039
Natural Heritage Trust of Australia - Murray Darling 2001	4,351	1,617	1,372	0	2,281	0	80	0	9,701
Tasmanian wheat freight - shipping	0	0	0	0	0	1,200	0	0	1,200
Exotic disease preparedness	14,726	254	962	167	345	0	0	18	16,472
National Forest Policy	50	0	0	0	0	0	0	0	50
National Landcare Programme (NLP) Farm Business Improvement Programme (FarmBis)	8,207	6,447	5,251	6,479	5,370	1,309	226	2,790	36,079
Rural Adjustment Scheme	502	447	501	0	242	0	0	57	1,749
Natural Heritage Trust of Australia - National River Health Programme	6,616	7,018	4,844	333	1,417	430	0	0	20,658
Natural Heritage Trust of Australia - Waterwatch Australia	845	674	198	386	459	115	65	362	3,104
Natural Heritage Trust of Australia - Waste Management Awareness(c)	445	0	781	351	304	441	111	165	2,598
Natural Heritage Trust of Australia - Riverworks Tasmania	0	0	0	0	0	0	0	0	0
Natural Heritage Trust of Australia - Fisheries Action Programme	0	0	0	0	0	0	0	0	0
Natural Heritage Trust of Australia - National Land and Water Resources Audit	0	5	22	0	0	147	0	0	174
Great Artesian Basin Sustainability Initiative(a)	0	0	0	0	0	0	0	0	0
Citrus market diversification	1,385	0	1,120	0	0	0	0	0	2,505
	0	0	0	0	0	0	0	0	0

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total
Agriculture, forestry and fishing (continued)									
Forest industry structural adjustment package	565	0	0	0	0	0	0	0	565
Rehabilitation of the Great Artesian Basin	0	0	0	0	0	0	0	0	0
Skilling farmers for the future	0	0	0	0	0	0	0	0	0
Natural Heritage Trust of Australia - FarmBis - Adv Property Management Planning	522	231	2,395	0	405	155	1,459	85	5,252
War Service Land Settlement Scheme	0	0	0	0	1,110	0	0	0	1,110
Farm assistance	0	0	0	0	0	0	0	0	0
Agriculture, forestry and fishing - total	41,100	21,098	21,747	10,037	15,196	8,441	2,570	3,672	123,861
Mining and mineral resources (other than fuels), manufacturing and construction									
Regional Minerals Programme	0	0	0	0	0	997	0	0	997
Enterprise Development Programme	232	62	504	273	0	48	366	42	1,527
* Textiles, clothing & footwear development	553	604	272	62	240	105	0	17	1,853
Mining and mineral resources (other than fuels), manufacturing and construction - total	785	666	776	335	240	1,150	366	59	4,377
Transport and communication									
Interstate road transport	10,065	5,856	2,074	867	2,639	109	109	109	21,828
Petroleum Products Freight Subsidy Scheme	182	0	2,197	90	234	0	0	1,064	3,767
Transport and communication - total	10,247	5,856	4,271	957	2,873	109	109	1,173	25,595

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total (‘000)
Total other economic affairs									
Training for Aboriginals Programme	0	0	0	0	0	0	0	0	0
Total other economic affairs - total	0	0	0	0	0	0	0	0	0
Other purposes									
Debt Redemption Assistance	9,928	5,442	3,798	11,987	10,964	10,773	1,637	5,096	59,625
* Financial assistance grants for local government									
Financial assistance grants	297,894	218,827	162,693	86,224	69,591	22,002	14,406	8,938	880,575
Identified local roads grants	113,365	80,556	73,210	59,744	21,474	20,706	12,529	9,153	390,737
Compensation - companies regulation	44,843	39,202	22,077	13,589	10,108	3,131	0	1,997	134,947
Natural disaster relief	32,030	931	2,239	139	0	0	0	0	35,339
Exmouth cyclone relief	0	0	0	1,428	0	0	0	0	1,428
Royalties	0	0	0	382,618	0	0	0	0	382,618
ACT National Capital influences	0	0	0	0	0	0	20,188	0	20,188
Other purposes - total	498,060	344,958	264,017	555,729	112,137	56,612	48,760	25,184	1,905,457
Total current	4,979,039	3,613,427	2,686,992	1,852,495	1,296,093	398,966	268,716	215,542	15,311,270
Specific Purpose Payments - Capital Purposes									
Education									
Government schools	78,511	102,328	55,558	22,709	17,673	6,312	3,919	2,860	289,870
* Indigenous Education Strategic Initiatives Programme	549	40	448	639	200	5	30	483	2,394
* Non-government schools	15,418	13,004	10,281	2,447	2,846	1,000	990	723	46,709
Education - total	94,478	115,372	66,287	25,795	20,719	7,317	4,939	4,066	338,973
Health									
Home and community care	0	0	0	0	0	3	0	0	3
Blood transfusion services	1,888	2,146	1,676	1,236	529	273	119	87	7,954
Health - total	1,888	2,146	1,676	1,236	529	276	119	87	7,957

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i>	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payment Title	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)	('000)
Social security and welfare									
Home and community care	0	0	657	0	0	194	0	0	851
Crisis accommodation assistance	13,417	9,856	7,325	3,884	3,132	990	649	402	39,655
Social security and welfare - total	13,417	9,856	7,982	3,884	3,132	1,184	649	402	40,506
Housing and community amenities									
Housing assistance for Indigenous people	17,777	3,638	25,227	15,862	8,342	696	0	19,458	91,000
Community housing	21,651	15,905	11,819	6,267	5,054	1,598	1,287	649	64,230
Commonwealth-State Housing Agreement (CSHA) Block Assistance/Base Funding	253,020	185,864	138,124	73,232	59,068	22,705	17,394	13,557	762,964
Social Housing Subsidy Programme	1,949	0	0	0	0	0	133	0	2,082
Federation Fund - development of the Tuggeranong Homestead	0	0	0	0	0	0	430	0	430
Federation Fund - Centennial Moore Park Trust	5,240	0	0	0	0	0	0	0	5,240
Tasmanian Regional Forest Agreement	0	0	0	0	0	300	0	0	300
*Regional flood mitigation	630	0	630	0	71	15	0	0	1,346
Housing and community amenities - total	300,267	205,407	175,800	95,361	72,535	25,314	19,244	33,664	927,592
Recreation and culture									
Sugar Coast Environment Rescue Package(d)	0	0	0	0	0	0	0	0	0
Natural Heritage Trust of Australia - National Reserve System Programme	372	236	100	1,747	748	3,125	0	8	6,336
Recreation and culture - total	372	236	100	1,747	748	3,125	0	8	6,336
Agriculture, fisheries and forestry									
Natural Heritage Trust of Australia - Murray Darling 2001	5,956	17,354	1,686	0	1,990	0	142	0	27,128

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total (‘000)
Agriculture, fisheries and forestry (continued)									
Natural Heritage Trust of Australia - National Landcare Programme	9,394	6,654	3,404	5,696	3,031	822	0	330	29,331
Sugar	945	0	0	0	0	0	0	0	945
National Landcare Programme (NLP)	0	0	0	0	0	0	0	0	0
National Wine Centre - Federation Fund project	0	0	0	0	12,000	0	0	0	12,000
Tasmanian Regional Forest Agreement	0	0	0	0	0	23,590	0	0	23,590
Agriculture, fisheries and forestry - total	16,295	24,008	5,090	5,696	17,021	24,412	142	330	92,994
Transport and communication									
Building IT Strengths - Tasmania 'Intelligent Island'	0	0	0	0	0	20,000	0	0	20,000
Connecting Tasmanian schools	0	0	0	0	0	15,000	0	0	15,000
Northern Territory - Alice Springs Darwin Railway	0	0	0	0	0	0	0	0	0
Wyndham Port loading facilities	0	0	0	0	0	0	0	0	0
Adelaide Airport runway	0	0	0	0	19,596	0	0	0	19,596
Road programmes	304,806	87,320	201,212	71,571	59,212	33,402	27,282	32,974	817,779
Road safety blackspots - States	13,986	9,122	4,811	3,784	2,006	425	0	270	34,404
Federation Fund Projects - Northern Territory	0	0	0	0	0	0	0	0	0
Federation Fund Projects - Tasmania	0	0	0	0	0	8,294	0	0	8,294
Federation Fund Projects - Queensland	0	0	0	0	0	0	0	0	0
Federation Fund Projects - New South Wales/Victoria	400	0	0	0	0	0	0	0	400
* Payment to Tasmania for track upgrading	0	0	0	0	0	1,000	0	0	1,000
Transport and communication - total	319,192	96,442	206,023	75,355	80,814	78,121	27,282	33,244	916,473
Tourism									
Tasmanian Regional Forest Agreement	0	0	0	0	0	0	0	0	0
Tourism - total	0	0	0	0	0	0	0	0	0

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total (‘000)
Other purposes									
Sinking fund on state debt	785	188	956	871	970	928	0	312	5,010
Natural disaster relief	21,598	0	41,213	0	0	0	0	0	62,811
Other purposes - total	22,383	188	42,169	871	970	928	0	312	67,821
Total capital	768,292	453,655	505,127	209,945	196,468	140,677	52,375	72,113	2,398,652
Repayments									
Supplementary contributions	70,936	0	29,262	164,265	157,662	132,716	0	50,784	605,625
Payments to debt sinking funds	3,167	760	3,860	3,513	3,918	3,744	0	1,257	20,219
Total	74,103	760	33,122	167,778	161,580	136,460	0	52,041	625,844
Repayments of Commonwealth government loans									
ACT debt repayments	0	0	0	0	0	0	18,598	0	18,598
Loan Council - housing nominations	4,434	0	1,631	2,828	2,655	1,189	0	1,476	14,213
Repayments of Commonwealth government loans - total	4,434	0	1,631	2,828	2,655	1,189	18,598	1,476	32,811
Defence									
Housing for servicemen	571	0	353	119	12	0	0	0	1,055
Defence - total	571	0	353	119	12	0	0	0	1,055
Housing and community amenities									
CSHA loans	27,689	0	7,479	7,139	8,073	3,088	0	409	53,877
Other housing	0	0	0	0	0	0	5,205	2,133	7,338
Urban water supply and treatment	0	0	0	99	256	0	0	0	355
Northern Territory - water and sewerage assistance	0	0	0	0	0	0	0	136	136

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total (‘000)
Housing and community amenities (continued)									
Growth centres	207	0	0	0	0	0	0	0	207
Urban rehabilitation	0	205	0	0	0	0	0	0	205
Community facilities - Townsville	0	0	28	0	0	0	0	0	28
Captains Flat (Abatement of Pollution) Agreement	6	0	0	0	0	0	0	0	6
Sewerage	1,854	0	465	0	0	0	0	0	2,319
Housing and community amenities - total	29,756	205	7,972	7,238	8,329	3,088	5,205	2,678	64,471
Agriculture, fisheries and forestry									
Dairy Adjustment Programme	10	0	150	0	0	0	0	0	160
Bovine Brucellosis and Tuberculosis	0	0	0	0	0	0	0	448	448
Rural Adjustment Scheme	2,256	0	8,846	0	0	0	0	256	11,358
War Service Land Settlement Scheme	383	409	0	0	0	6	0	0	798
Brigalow Lands Development Scheme	0	0	1,050	0	0	0	0	0	1,050
Agriculture, fisheries and forestry - total	2,649	409	10,046	0	0	6	0	704	13,814
Transport and communication									
Railway projects	192	96	0	5	0	0	0	0	293
Transport and communication - total	192	96	0	5	0	0	0	0	293
Other purposes									
Natural disaster relief	1,892	0	564	0	0	0	0	268	2,724
Repay advances to balance state budgets	0	0	0	0	0	0	0	0	0
Other purposes - total	1,892	0	564	0	0	0	0	268	2,724
Total repayments	113,597	1,470	53,688	177,968	172,576	140,743	23,803	57,167	741,012

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total (‘000)
Advances									
Other purposes									
Natural disaster relief	2,512	0	4,851	0	0	0	0	0	7,363
Advances to balance state budgets	0	0	0	0	0	0	0	0	0
Other purposes - total	2,512	0	4,851	0	0	0	0	0	7,363
Total advances	2,512	0	4,851	0	0	0	0	0	7,363
Interest									
Interest on Loan Council and Northern Territory Government borrowings	18,918	4,289	16,700	21,986	22,457	25,835	0	10,105	120,290
Total	18,918	4,289	16,700	21,986	22,457	25,835	0	10,105	120,290
Interest on Commonwealth Government									
ACT Government debt	0	0	0	0	0	0	11,339	0	11,339
Housing nominations	22,278	0	8,035	13,761	13,465	5,918	0	7,727	71,184
Interest on Commonwealth Government loans - total	22,278	0	8,035	13,761	13,465	5,918	11,339	7,727	82,523
Defence									
Housing for servicemen	2,566	0	1,465	315	105	0	0	0	4,451
Defence - total	2,566	0	1,465	315	105	0	0	0	4,451
Housing and community amenities									
CSHA loans	48,948	0	13,555	12,977	19,953	6,533	0	1,573	103,539
Other housing	0	0	0	0	0	0	11,406	4,459	15,865
Urban water supply and treatment	0	0	0	17	1,235	0	0	0	1,252
Northern Territory - water and sewerage assistance	0	0	0	0	0	0	0	657	657
Growth centres	162	0	0	0	0	0	0	0	162
Urban rehabilitation	0	77	0	0	0	0	0	0	77

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

<i>Function</i> Payment Title	NSW (‘000)	VIC (‘000)	QLD (‘000)	WA (‘000)	SA (‘000)	TAS (‘000)	ACT (‘000)	NT (‘000)	Total (‘000)
Housing and community amenities (continued)									
Sewerage	6,581	0	1,607	10	0	0	0	0	8,198
Community facilities - Townsville	0	0	18	0	0	0	0	0	18
Captains Flat (Abatement of Pollution) Agreement	10	0	0	0	0	0	0	0	10
Housing and community amenities - total	55,701	77	15,180	13,004	21,188	6,533	11,406	6,689	129,778
Agriculture, fisheries and forestry									
Dairy Adjustment Programme	3	0	0	0	0	0	0	0	3
Bovine Brucellosis and Tuberculosis	0	0	0	0	0	0	0	34	34
Rural Adjustment Scheme	555	0	493	0	0	0	0	53	1,101
Brigalow Land Development Scheme	0	0	46	0	0	0	0	0	46
Softwood forestry	0	0	0	0	0	0	0	0	0
War Service Land Settlement Scheme	208	221	0	0	20	4	0	0	453
Agriculture, fisheries and forestry - total	766	221	539	0	20	4	0	87	1,637
Transport and communication									
Railway projects	58	58	0	399	0	0	0	0	515
Transport and communication - total	58	58	0	399	0	0	0	0	515
Other purposes									
Natural disaster relief	65	0	68	0	0	0	0	74	207
Other purposes - total	65	0	68	0	0	0	0	74	207
Total interest	100,352	4,645	41,987	49,465	57,235	38,290	22,745	24,682	339,401
Summary of Specific Purpose Payments									
Total specific purpose payments	5,747,331	4,067,082	3,192,119	2,062,440	1,492,561	539,643	321,091	287,655	17,709,922
Total 'to'	4,377,132	3,002,036	2,426,730	1,637,547	1,185,007	436,714	234,118	227,522	13,526,806
Total 'through'	1,370,199	1,065,046	765,389	424,893	307,554	102,929	86,973	60,133	4,183,116

Table 30: Specific purpose payments to the States, repayments of advances and interest payments (continued)

* Items so marked are classified as payments 'through' the States.

- (a) The split between the current and capital component has not yet been determined.
- (b) The estimates of the 1999-2000 VETFA SPP's included supplementation for the 1998 calendar year but not for 1999 and the outyears. The amount of the supplementation is determined and approved each year by Parliament as an amendment to the Vocational Education and Training Funding Act. At the time of determining the estimates, the 1999 supplementation figure had not been approved and therefore was not included in the estimates calculated. The estimates of amounts to be paid to the States/Territories also did not include payments to be made from funds allocated for VET in Schools, Industry Based Skill Centres, Skill Centres for School Students and Toolbox Development Projects. This money is paid to the States on approval of proposals submitted to the Authority. At the time of preparing the estimates, the final split of funds between individual States and Territories was not known, therefore was not included in the estimated 1999-2000 VETFA SPP's. The actual SPP's made to the States and Territories in the 1999-2000 financial year included payments made from VET in Schools, Industry Based Skill Centres, Skill Centres for School Students and Toolbox Development Projects (approximately \$44 million). The actual SPP's made to the States and Territories during the 1999-2000 financial year also included the payment of the 1999 supplementation (approximately \$14 million). The remainder of the variance between the Estimated VETFA SPP's and the actual payments made to the States and Territories, is mainly due to projects being paid in the 1999-2000 financial year that were earlier anticipated to be paid in the 2000-2001 financial year
- (c) The budget estimate for 1999-00 was compiled on a cash basis - \$0.500 million was expensed in 1998-99 with \$0.500 million cash paid in 1999-00.
- (d) The budget estimate for 1999-00 was compiled on a cash basis - \$2.777 million was expensed in 1998-99 with \$0.906 million retained for 2001-02.

Table 31: Specific purpose payments direct to local government authorities

Payment Title	NSW \$'000	VIC \$'000	QLD \$'000	WA \$'000	SA \$'000	TAS \$'000	ACT \$'000	NT \$'000	Total \$'000
Direct Payments - Current									
Aged care services	14,152	22,057	5,044	8,140	6,330	1,852	0	218	57,793
Disability services	191	104	506	0	0	0	0	0	801
Children's services	50,190	57,546	12,820	11,001	1,072	6,901	0	1,317	140,847
Training for Aboriginals Programme	0	0	0	0	0	0	0	0	0
Local Government Incentive Programme(a)	1,354	765	1,065	757	525	438	83	392	5,379
Total Current	65,887	80,472	19,435	19,898	7,927	9,191	83	1,927	204,820
Direct Payments - Capital									
Children's services	0	0	0	0	0	0	0	0	0
Upgrade of Rockhampton Airport's Runway	0	0	1,000	0	0	0	0	0	1,000
Payment to Flinders Island - runway sealing	0	0	0	0	0	200	0	0	200
Total capital	0	0	1,000	0	0	200	0	0	1,200
Total direct payments	65,887	80,472	20,435	19,898	7,927	9,391	83	1,927	206,020

(a) Includes the Local Government Development Programme.

Appendix A: Historical fiscal data

This appendix provides historical data for Commonwealth fiscal aggregates.

Table A1 provides details of the cash revenue, outlays and surplus for the period 1969-70 to 1999-2000. Table A2 provides details of tax, non-tax and total revenue on a cash basis for the period 1969-70 to 1999-2000.

Estimates up to and including 1998-99 are on cash terms, while those for 1999-2000 are cash proxies derived from an accrual framework. Due to methodological and data-source changes associated with the move to an accrual accounting framework, time series data which encompasses measures derived under both cash and accrual accounting should be used with caution.

There are other structural breaks within the data set prior to the shift to accrual reporting. Classification differences and revisions, as well as changes to the structure of the budget, can impact on comparisons over such an extended period.

Following recent changes to the Australian National Accounts standards, the general government surplus measures in this appendix, from 1998-99 onwards, incorporate payments by the Commonwealth general government sector in respect of accumulated PNFC superannuation liabilities. Figures for the years prior to 1998-99 do not incorporate these payments.

Other factors which affect the comparability of fiscal aggregates between years include:

- classification differences in the data relating to the period prior to 1976-77 (which mean that data for the earlier period may not be entirely consistent with data for 1976-77 and later years);
- adjustments in the coverage of agencies included in the accounts of the different sectors;
- the reclassification of Central Banking Authorities from the general government to the PFC sector in 1998-99, and subsequent backcasting to account for this change;
- the revaluation of Telstra, in 1999-2000, from book value to market value (which only impacts on net worth);
- the 1998-99 reclassification of fees and fines out of the broader taxes, fees and fines category used in previous years;
- transfers of taxing powers between the Commonwealth and the States;
- other changes in financial arrangements between the Commonwealth budget sector, Commonwealth non-budget sector agencies and the State/local government sector; and

- changes in arrangements for transfer payments where tax concessions or rebates are replaced by payments through the social security system. This has the effect of increasing both cash revenues and outlays as compared with earlier periods, but not changing cash balances. Changes in the opposite direction (tax expenditures replacing outlays) reduce both cash outlays and revenue.

While approximate adjustments can be made to identify trends in budget aggregates on a generally consistent basis, the further back the analysis is taken, the less manageable the task becomes.

Table A3 provides details of Commonwealth general government net debt from 1974-75 to 1999-2000.

Table A4 looks at Commonwealth net worth by sector, from 1996-97 to 1999-2000.

Tables A5 to A7 provide details of Commonwealth accrual fiscal aggregates for the period 1996-97 to 1999-2000 for the general government sector, the public non-financial corporations (PNFC) sector, and the non-financial public sector.

Table A1: Commonwealth general government sector cash revenue, outlays and surplus^(a)

	Revenue			Outlays			Cash Surplus(b)	
	\$m	Per cent	Per cent of GDP	\$m	Per cent	Per cent of GDP	\$m	Per cent of GDP
		Real Growth			Real Growth			
1969-70	7,097	8.8	21.1	6,131	2.3	18.2	966	2.9
1970-71	8,000	6.1	21.5	7,176	10.1	19.3	824	2.2
1971-72	8,827	3.5	21.5	7,987	4.4	19.4	840	2.0
1972-73	9,414	0.2	20.3	9,120	7.2	19.7	294	0.6
1973-74	11,890	10.5	21.3	10,829	3.9	19.4	1,061	1.9
1974-75	15,325	5.3	22.9	15,275	15.2	22.9	50	0.1
1975-76	18,316	3.3	23.2	19,876	12.5	25.2	-1,560	-2.0
1976-77	21,418	4.4	23.6	22,657	1.8	24.9	-1,239	-1.4
1977-78	23,491	0.9	23.7	25,489	3.5	25.7	-1,998	-2.0
1978-79	25,666	3.2	22.8	27,753	2.8	24.7	-2,087	-1.9
1979-80	29,780	5.6	23.3	31,041	1.8	24.3	-1,261	-1.0
1980-81	35,148	6.7	24.2	35,260	2.7	24.3	-112	-0.1
1981-82	40,831	3.5	24.6	40,394	2.1	24.3	437	0.3
1982-83	44,675	-1.8	24.9	47,907	6.4	26.7	-3,232	-1.8
1983-84	49,102	3.3	24.3	55,966	9.7	27.6	-6,864	-3.4
1984-85	57,758	11.2	25.7	63,639	7.5	28.4	-5,881	-2.6
1985-86	64,845	5.6	26.2	69,838	3.2	28.2	-4,993	-2.0
1986-87	73,145	5.5	26.9	75,392	1.0	27.7	-2,247	-0.8
1987-88	81,217	3.2	26.2	79,440	-2.1	25.6	1,777	0.6
1988-89	88,369	0.5	25.2	82,202	-4.4	23.4	6,167	1.8
1989-90	95,517	1.5	24.9	88,882	1.6	23.1	6,635	1.7
1990-91	97,705	-2.1	24.6	97,333	4.8	24.5	372	0.1
1991-92	92,966	-6.9	22.9	104,551	5.1	25.8	-11,585	-2.9
1992-93	94,448	0.1	22.1	111,484	5.0	26.1	-17,036	-4.0
1993-94	100,142	4.9	22.3	117,252	4.0	26.1	-17,110	-3.8
1994-95	109,720	9.2	23.2	122,901	4.4	26.0	-13,181	-2.8
1995-96	121,105	7.3	23.9	131,182	3.8	25.9	-10,077	-2.0
1996-97	129,845	5.3	24.4	135,126	1.2	25.4	-5,281	-1.0
1997-98	135,779	3.2	24.0	134,608	-1.6	23.8	1,171	0.2
1998-99	146,521	7.6	24.6	141,033	4.5	23.7	4,190	0.7
1999-00	165,828	na	26.2	153,157	na	24.2	12,671	2.0

- (a) There is a break in the series between 1998-99 and 1999-00. Data for the years up to and including 1998-99 are consistent with the cash ABS GFS reporting requirements. From 1999-00 onwards, data are derived from an accrual ABS GFS reporting framework, with revenues proxied by receipts from operating activities and sales of non-financial assets, and outlays proxied by payments for operating activities and purchases of non-financial assets. Due to methodological and data-source changes associated with the change, time series data which encompasses measures derived under both cash and accrual accounting should be used with caution.
- (b) Following recent changes to the Australian National Accounts standards, the surplus measures in this table, from 1998-99 onwards, incorporate payments by the general government sector in respect of accumulated PNFC superannuation liabilities. Payments prior to 1998-99 do not incorporate these payments.

Table A2: Commonwealth general government sector cash taxation revenue, non-taxation revenue and total revenue^(a)

	Taxation Revenue			Non-taxation Revenue			Total Revenue		
	\$m	Per cent		\$m	Per cent		\$m	Per cent	
		Real Growth	Per cent of GDP		Real Growth	Per cent of GDP		Real Growth	Per cent of GDP
1969-70	6,341	9.3	18.8	756	4.9	2.2	7,097	8.8	21.1
1970-71	7,148	6.1	19.2	852	6.1	2.3	8,000	6.1	21.5
1971-72	7,887	3.5	19.2	940	3.5	2.3	8,827	3.5	21.5
1972-73	8,411	0.1	18.2	1,003	0.2	2.2	9,414	0.2	20.3
1973-74	10,832	12.7	19.4	1,058	-7.7	1.9	11,890	10.5	21.3
1974-75	14,141	6.6	21.2	1,184	-8.6	1.8	15,325	5.3	22.9
1975-76	16,920	3.4	21.5	1,396	1.9	1.8	18,316	3.3	23.2
1976-77	19,714	4.1	21.7	1,704	9.0	1.9	21,418	4.4	23.6
1977-78	21,428	0.0	21.6	2,063	11.4	2.1	23,491	0.9	23.7
1978-79	23,409	3.1	20.8	2,257	3.3	2.0	25,666	3.2	22.8
1979-80	27,473	6.8	21.5	2,307	-6.9	1.8	29,780	5.6	23.3
1980-81	32,641	7.4	22.5	2,507	-1.7	1.7	35,148	6.7	24.2
1981-82	37,880	3.4	22.8	2,951	4.9	1.8	40,831	3.5	24.6
1982-83	41,025	-2.8	22.9	3,650	11.0	2.0	44,675	-1.8	24.9
1983-84	44,849	2.7	22.2	4,253	9.5	2.1	49,102	3.3	24.3
1984-85	52,970	11.6	23.6	4,788	6.4	2.1	57,758	11.2	25.7
1985-86	58,841	4.5	23.7	6,004	18.0	2.4	64,845	5.6	26.2
1986-87	66,467	5.7	24.4	6,678	4.0	2.5	73,145	5.5	26.9
1987-88	75,076	5.0	24.2	6,141	-14.6	2.0	81,217	3.2	26.2
1988-89	83,452	2.7	23.8	4,917	-26.0	1.4	88,369	0.5	25.2
1989-90	90,773	2.2	23.6	4,744	-9.4	1.2	95,517	1.5	24.9
1990-91	92,739	-2.2	23.4	4,966	0.2	1.3	97,705	-2.1	24.6
1991-92	87,364	-7.9	21.5	5,602	10.3	1.4	92,966	-6.9	22.9
1992-93	88,760	0.1	20.8	5,688	0.0	1.3	94,448	0.1	22.1
1993-94	93,362	4.0	20.8	6,780	17.9	1.5	100,142	4.9	22.3
1994-95	104,921	12.0	22.2	4,799	-29.5	1.0	109,720	9.2	23.2
1995-96	115,700	7.2	22.8	5,405	9.5	1.1	121,105	7.3	23.9
1996-97	124,559	5.8	23.4	5,286	-3.9	1.0	129,845	5.3	24.4
1997-98	130,984	3.8	23.2	4,795	-10.4	0.8	135,779	3.2	24.0
1998-99	141,105	7.4	23.7	5,416	12.6	0.9	146,521	7.6	24.6
1999-00	150,695	na	23.8	15,133	na	2.4	165,828	na	26.2

(a) There is a break in the series between 1998-99 and 1999-00. Data for the years up to and including 1999-99 are consistent with the cash ABS GFS reporting requirements. From 1999-00 onwards, data are derived from an accrual ABS GFS reporting framework, with total revenue proxied by receipts from operating activities and sales of non-financial assets. Due to methodological and data-source changes associated with the change, time series data which encompasses measures derived under both cash and accrual accounting should be used with caution.

Table A3: Commonwealth general government net debt (as at end of financial year)^(a)

	\$b	Per cent of GDP
1974-75	-1.9	-2.8
1975-76	-0.3	-0.4
1976-77	0.9	1.0
1977-78	2.9	2.9
1978-79	5.0	4.4
1979-80	6.2	4.9
1980-81	6.4	4.4
1981-82	5.9	3.6
1982-83	9.2	5.1
1983-84	16.0	7.9
1984-85	21.9	9.8
1985-86	26.9	10.8
1986-87	29.1	10.7
1987-88	27.4	8.8
1988-89	22.0	6.3
1989-90	16.1	4.2
1990-91	16.9	4.3
1991-92	31.1	7.7
1992-93	55.2	12.9
1993-94	70.2	15.6
1994-95	83.5	17.6
1995-96	95.8	18.9
1996-97	96.3	18.1
1997-98	82.9	14.7
1998-99	70.6	11.9
1999-00	53.1	8.4

(a) The net debt series used in this table incorporates Treasury estimates for the period 1974-75 to 1986-87 and published ABS data for the period 1987-88 to 1999-2000 (*Public Sector Financial Assets and Liabilities*, Cat. No. 5513.0). Comparable net debt data have been collected by the ABS only since 1988. Treasury estimates were constructed by deducting annual net borrowing — defined as the ABS cash deficit — from the ABS measure of the stock of net debt at end June 1988.

Table A4: Commonwealth net worth by sector (as at end of financial year)^(a)

	General Government		PNFCs		Non-financial Public Sector	
	\$b	Per cent of GDP	\$b	Per cent of GDP	\$b	Per cent of GDP
1996-97	-74.4	-14.0	18.1	3.4	-56.3	-10.6
1997-98	-68.5	-12.1	18.1	3.2	-50.5	-8.9
1998-99 (b)	-76.2	-12.8	7.4	1.2	-68.8	-11.5
1999-00	-11.6	-1.8	-75.6	-12.0	-87.2	-13.8

(a) Net worth is calculated as assets minus liabilities minus shares and other contributed capital.

(b) The changes in net worth over 1999-2000 are largely attributable to the revaluation of Telstra at market rather than book value.

Table A5: Commonwealth general government sector GFS revenue, GFS expenses and fiscal balance

	GFS Revenue			GFS Expenses			Fiscal Balance(a)	
	\$m	Per cent		\$m	Per cent		\$m	Per cent of GDP
		Real Growth	Per cent of GDP		Real Growth	Per cent of GDP		
1996-97	143,108	na	26.9	146,964	na	27.6	-4,211	-0.8
1997-98	148,197	2.2	26.2	154,692	3.9	27.4	-1,973	-0.3
1998-99	151,922	2.2	25.5	146,620	-5.5	24.6	3,869	0.6
1999-00	166,617	7.8	26.4	153,217	2.7	24.2	13,469	2.1

(a) Fiscal balance equals GFS revenue less GFS expenses less net acquisitions of non-financial assets.
na Data not available.

Table A6: Commonwealth PNFC GFS revenue, GFS expenses and fiscal balance

	GFS Revenue			GFS Expenses			Fiscal Balance(a)	
	\$m	Per cent		\$m	Per cent		\$m	Per cent of GDP
		Real Growth	Per cent of GDP		Real Growth	Per cent of GDP		
1996-97	27,431	na	5.2	26,015	na	4.9	-331	-0.1
1997-98	29,618	6.6	5.2	26,999	2.5	4.8	2,360	0.4
1998-99	27,687	-6.8	4.7	26,088	-3.7	4.4	-816	-0.1
1999-00	25,270	-10.3	4.0	23,327	-12.1	3.7	1,062	0.2

(a) Fiscal balance equals GFS revenue less GFS expenses less net acquisitions of non-financial assets.
na Data not available.

Table A7: Commonwealth NFPS GFS revenue, GFS expenses and fiscal balance

	GFS Revenue			GFS Expenses			Fiscal Balance(a)	
	\$m	Per cent		\$m	Per cent		\$m	Per cent of GDP
		Real Growth	Per cent of GDP		Real Growth	Per cent of GDP		
1996-97	na	na	na	na	na	na	-4,542	-0.9
1997-98	na	na	na	na	na	na	387	0.1
1998-99	175,707	na	29.5	168,806	na	28.4	3,053	0.5
1999-00	188,368	5.3	29.8	173,026	0.7	27.4	14,530	2.3

(a) Fiscal balance equals GFS revenue less GFS expenses less net acquisitions of non-financial assets.
na Data not available.

Appendix B: Expenses by function and sub-function

Functional and sub-functional expense data provide details of the particular areas such as health, education and defence, into which government expenses were directed. Expenditure on some functions may occur solely through one government agency, such as defence, while expenditure on other functions may be directed through a number of agencies.

It should be noted that as this data has been prepared on a AAS31 accrual (expense) basis, it is not directly comparable with functional data on cash outlays published in previous Final Budget Outcomes.

Table B1: Commonwealth general government expenses by function and sub-function

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
General public services		
Legislative and executive affairs	574	573
Financial and fiscal affairs	5,339	6,167
Foreign economic aid	2,110	2,023
General research	1,496	1,459
General services	460	584
Government superannuation benefits	5,506	7,193
Total general public services	15,486	17,999
Defence	10,440	9,956
Public order and safety		
Courts and legal services	567	569
Other public order and safety	620	562
Total public order and safety	1,187	1,132
Education		
Higher education	3,808	3,887
Vocational and other education	1,066	1,168
Non-government schools	2,968	2,883
Government schools	1,798	1,909
<i>Schools</i>	<i>4,766</i>	<i>4,792</i>
Student assistance	637	644
General administration	37	40
School education - specific funding	76	56
Total education	10,390	10,587
Health		
Medical services and benefits	9,662	10,013
Hospital services	1,128	1,135
Health care agreements	5,956	5,900
<i>Hospital services and health care agreements</i>	<i>7,084</i>	<i>7,035</i>
Pharmaceutical services and benefits	4,034	4,173
Aboriginal and Torres Strait Islander health	169	162
Health services	491	442
Other health services	611	389
<i>Other health services</i>	<i>1,102</i>	<i>832</i>
General administration	857	874
Health assistance to the aged	502	450
Total health	23,409	23,540

Table B1: Commonwealth general government expenses by function and sub-function (continued)

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Social security and welfare		
Assistance to the aged	19,754	19,635
Assistance to veterans and dependents	4,546	4,568
Assistance to people with disabilities	6,722	6,810
Assistance to families with children	15,154	15,047
Assistance to the unemployed	5,750	5,715
Assistance to the sick	87	91
<i>Assistance to the unemployed and the sick</i>	<i>5,837</i>	<i>5,806</i>
Common youth allowance	1,978	1,946
Other welfare programmes	242	221
Aboriginal advancement nec	1,204	1,162
General administration	1,924	1,935
Total social security and welfare	57,361	57,129
Housing and community amenities		
Housing	1,178	1,239
Urban and regional development	58	53
Environment protection	621	555
Total housing and community amenities	1,858	1,846
Recreation and culture		
Broadcasting	504	612
Arts and cultural heritage	685	570
Sport and recreation	145	163
National estate and parks	151	133
Total recreation and culture	1,484	1,478
Fuel and energy	48	32
Agriculture, fisheries and forestry		
Wool industry	120	117
Grains industry	105	102
Dairy industry	213	210
Cattle, sheep and pig industry	139	106
Fishing, horticulture and other agriculture	128	137
General assistance not allocated to specific industries	612	641
Rural assistance	149	108
Natural resources development	333	296
General administration	54	72
Total agriculture, fisheries and forestry	1,852	1,791
Mining and mineral resources (other than fuels), manufacturing and construction	888	908

**Table B1: Commonwealth general government expenses
by function and sub-function (continued)**

	1999-00 Estimate at 2000-01 Budget \$m	1999-00 Outcome \$m
Transport and communication		
Communication	634	544
Rail transport	103	41
Air transport	194	192
Road transport	878	879
Sea transport	229	220
Other transport and communication	139	130
Total transport and communication	2,177	2,006
Other economic affairs		
Tourism and area promotion	150	147
Vocational and industry training	467	391
Labour market assistance to job seekers and industry	1,604	1,511
Industrial relations	109	110
Immigration	574	512
<i>Total labour and employment affairs</i>	<i>2,754</i>	<i>2,524</i>
Other economic affairs nec	529	516
Total other economic affairs	3,432	3,187
Other purposes		
Interest on Commonwealth behalf	9,088	9,355
Interest on behalf of states and territories	0	138
Interest received on Commonwealth stock	0	0
<i>Public debt interest</i>	<i>9,088</i>	<i>9,493</i>
General revenue assistance - states and territories	17,752	17,752
General capital assistance - states and territories	0	0
Debt assistance	-7	0
Local government assistance	1,271	1,279
Revenue assistance to the states and territories	135	135
Assistance to other governments	85	29
<i>General purpose inter-government transactions</i>	<i>19,237</i>	<i>19,195</i>
Natural disaster relief	83	100
Contingency reserve	-60	0
Asset sales	33	28
Total other purposes	28,381	28,816
Total expenses	158,392	160,408

Acronyms

AAS	Australian Accounting Standards
ABC	Australian Broadcasting Corporation
ABS	Australian Bureau of Statistics
ACS	Australian Customs Service
ATO	Australian Taxation Office
CPI	Consumer Price Index
FAGs	financial assistance grants
GDP	Gross Domestic Product
GFS	Government Finance Statistics
HCGs	health care grants
IMF	International Monetary Fund
LCA	Loan Council Allocation
NCPs	national competition payments
NFPS	non-financial public sector
NPV	net present value
PFC	public financial corporations
PNFC	public non-financial corporations
RRPs	revenue replacement payments
SDDS	Special Data Dissemination Standards
SPPs	specific purpose payments
SRA	special revenue assistance
UN	United Nations
UPF	The Accrual Uniform Presentation Framework