

Final Budget Outcome

2014-15

September 2015

Statement by

The Honourable J. B. Hockey MP

Treasurer of the Commonwealth of Australia

and

Senator the Honourable Mathias Cormann

Minister for Finance of the Commonwealth of Australia

For the information of honourable members

© Commonwealth of Australia 2015

ISSN: 2205-6750 (Print) 2205-6769 (Online)

This publication is available for your use under a Creative Commons BY Attribution 3.0 Australia licence, with the exception of the Commonwealth Coat of Arms, third party content and where otherwise stated. The full licence terms are available from <http://creativecommons.org/licenses/by/3.0/au/legalcode>.



Use of Commonwealth of Australia material under a Creative Commons BY Attribution 3.0 Australia licence requires you to attribute the work (but not in any way that suggests that the Commonwealth of Australia endorses you or your use of the work).

Commonwealth of Australia material used 'as supplied'.

Provided you have not modified or transformed Commonwealth of Australia material in any way including, for example, by changing the Commonwealth of Australia text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Commonwealth of Australia statistics – then Commonwealth of Australia prefers the following attribution:

Source: *The Commonwealth of Australia*.

Derivative material

If you have modified or transformed Commonwealth of Australia material, or derived new material from those of the Commonwealth of Australia in any way, then Commonwealth of Australia prefers the following attribution:

Based on Commonwealth of Australia data.

Use of the Coat of Arms

The terms under which the Coat of Arms can be used are set out on the It's an Honour website (see www.itsanhonour.gov.au).

Other uses

Enquiries regarding this licence and any other use of this document are welcome at:

Manager
Media Unit
The Treasury
Langton Crescent
Parkes ACT 2600
Email: medialiaison@treasury.gov.au

Internet

A copy of this document is available on the central Budget website at: www.budget.gov.au.

Printed by Instant Colour Press.

FOREWORD

The *Final Budget Outcome 2014-15* has been prepared in a manner consistent with the *Charter of Budget Honesty Act 1998* (the Charter). 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 Australian Government general government sector fiscal outcomes for the 2014-15 financial year and is based on external reporting standards.

- **Part 1** provides the general government sector budget aggregates for 2014-15 together with an analysis of the 2014-15 Final Budget Outcome. This includes summary analysis of cash flows, revenue, expenses, net capital investment and the balance sheet (net debt, net financial worth and net worth).
- **Part 2** presents the Australian Government financial statements for 2014-15 with the Australian Bureau of Statistics' (ABS) Government Finance Statistics (GFS) as the basis for accounting policy, except for where the Government has decided to depart because Australian Accounting Standards provide a better conceptual treatment for presenting information of relevance to users of public sector financial reports. This data covers the general government sector as well as the Australian Government public corporations sectors.
- **Part 3** provides details for 2014-15 on Australia's Federal Relations, updated from that contained in the 2015-16 Budget Paper No. 3, *Federal Financial Relations*.

Appendix A contains expenses data on a functional and sub-functional basis. Historical Australian Government data are presented in **Appendix B**.

CONTENTS

| | |
|---|------------|
| FOREWORD | III |
| PART 1: AUSTRALIAN GOVERNMENT BUDGET OUTCOME | 1 |
| Overview | 1 |
| Underlying cash balance..... | 2 |
| Fiscal balance | 7 |
| Headline cash balance estimates | 13 |
| Net debt, net financial worth and net worth..... | 13 |
| PART 2: AUSTRALIAN GOVERNMENT FINANCIAL STATEMENTS | 15 |
| Australian Government financial statements | 16 |
| Financial reporting standards and budget concepts | 45 |
| Australian Loan Council Allocation..... | 52 |
| PART 3: AUSTRALIA'S FEDERAL RELATIONS | 55 |
| Overview of payments to the states | 55 |
| Payments for specific purposes | 55 |
| General revenue assistance | 60 |
| GST payments | 61 |
| Payments to the states..... | 65 |
| APPENDIX A: EXPENSES BY FUNCTION AND SUB-FUNCTION | 79 |
| APPENDIX B: HISTORICAL AUSTRALIAN GOVERNMENT DATA | 83 |

LIST OF TABLES

Part 1

| | | |
|-----------|--|----|
| Table 1: | Australian Government general government sector budget aggregates..... | 2 |
| Table 2: | Summary of Australian Government general government sector cash flows..... | 3 |
| Table 3: | Australian Government general government sector (cash) receipts..... | 5 |
| Table 4: | Australian Government general government sector (accrual) revenue..... | 9 |
| Table 5: | Australian Government general government sector expenses by function..... | 11 |
| Table 6: | Australian Government general government sector net capital investment by function..... | 12 |
| Table 7: | Australian Government general government sector purchases of non-financial assets by function..... | 12 |
| Table 8: | Details of the Australian Government general government sector items between the underlying and headline cash balance..... | 13 |
| Table 9: | Australian Government general government sector net worth, net financial worth, net debt and net interest payments..... | 14 |
| Table 10: | Australian Government general government sector operating statement..... | 16 |
| Table 11: | Australian Government general government sector balance sheet..... | 18 |
| Table 12: | Australian Government general government sector cash flow statement..... | 20 |
| Table 13: | Australian Government public non-financial corporations sector operating statement..... | 22 |
| Table 14: | Australian Government public non-financial corporations sector balance sheet..... | 23 |
| Table 15: | Australian Government public non-financial corporations sector cash flow statement..... | 24 |
| Table 16: | Australian Government total non-financial public sector operating statement..... | 25 |
| Table 17: | Australian Government total non-financial public sector balance sheet..... | 26 |
| Table 18: | Australian Government total non-financial public sector cash flow statement..... | 27 |
| Table 19: | Australian Government public financial corporations sector operating statement..... | 28 |

| | | |
|-----------|---|----|
| Table 20: | Australian Government public financial corporations sector balance sheet | 29 |
| Table 21: | Australian Government public financial corporations sector cash flow statement..... | 30 |
| Table 22: | Major differences between AAS and ABS GFS | 34 |
| Table 23: | Entities outside of the general government sector | 51 |
| Table 24: | Australian Government Loan Council Allocation | 53 |
| Table 25: | Commonwealth payments to the states, 2014-15 | 55 |
| Table 26: | Total payments for specific purposes by category, 2014-15..... | 57 |
| Table 27: | Total payments for specific purposes by sector, 2014-15..... | 58 |
| Table 28: | Total payments for specific purposes by sector and category, 2014-15..... | 59 |
| Table 29: | NDRRA cash payments, 2014-15 | 60 |
| Table 30: | General revenue assistance, 2014-15..... | 60 |
| Table 31: | GST revenue and GST entitlement to the states, 2014-15 | 61 |
| Table 32: | GST entitlement and GST advances to the states, 2014-15..... | 62 |
| Table 33: | GST relativities, 2014-15 | 62 |
| Table 34: | Calculation of the 2014-15 GST entitlements..... | 63 |
| Table 35: | Summary of advances made in 2014-15 and distribution of following year adjustment across states..... | 63 |
| Table 36: | GST administration, 2014-15..... | 63 |
| Table 37: | Payments for specific purposes to support state health services, 2014-15..... | 66 |
| Table 38: | Payments for specific purposes to support state education services, 2014-15 | 69 |
| Table 39: | Payments for specific purposes to support state skills and workforce development services, 2014-15..... | 70 |
| Table 40: | Payments for specific purposes to support state community services, 2014-15 | 71 |
| Table 41: | Payments for specific purposes to support state affordable housing services, 2014-15..... | 72 |
| Table 42: | Payments for specific purposes to support state infrastructure services, 2014-15 | 73 |
| Table 43: | Payments for specific purposes to support state environment services, 2014-15 | 75 |
| Table 44: | Payments for specific purposes to support contingent state services, 2014-15 | 76 |

Contents

| | | |
|------------|--|-----|
| Table 45: | Payments for specific purposes to support other state services, 2014-15..... | 77 |
| Table 46: | General revenue assistance payments to the states, 2014-15 | 77 |
| Table 47: | Total payments to the states by GFS function, 2014-15 | 78 |
| Table A1: | Australian Government general government sector expenses by function and sub-function | 79 |
| Table B1: | Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance | 85 |
| Table B2: | Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance..... | 87 |
| Table B3: | Australian Government general government sector call on resources | 89 |
| Table B4: | Australian Government general government sector taxation receipts, non-taxation receipts and total receipts..... | 91 |
| Table B5: | Australian Government general government sector net debt and net interest payments | 93 |
| Table B6: | Australian Government general government sector face value of Commonwealth Government Securities (CGS) on issue and interest paid | 95 |
| Table B7: | Australian Government general government sector revenue, expenses, net capital investment and fiscal balance | 97 |
| Table B8: | Australian Government general government sector net worth and net financial worth..... | 98 |
| Table B9: | Australian Government general government sector accrual taxation revenue, non-taxation revenue and total revenue | 99 |
| Table B10: | Australian Government cash receipts, payments and surplus by institutional sector (\$m)..... | 100 |
| Table B11: | Australian Government accrual revenue, expenses and fiscal balance by institutional sector (\$m)..... | 101 |

Notes

- (a) The following definitions are used in this Budget Paper:
- ‘real’ means adjusted for the effect of inflation;
 - real growth in expenses and payments is calculated using the Consumer Price Index (CPI) as the 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:
- | | |
|---------|---|
| - | nil |
| na | not applicable (unless otherwise specified) |
| \$m | millions of dollars |
| \$b | billions of dollars |
| nfp | not for publication |
| (e) | estimates (unless otherwise specified) |
| (p) | projections (unless otherwise specified) |
| NEC/nec | not elsewhere classified |

Contents

- (e) The Australian Capital Territory and the Northern Territory are referred to as 'the territories'. References to the 'states' or 'each state' include the territories. The following abbreviations are used for the names of the states, where appropriate:

| | |
|-----|------------------------------|
| NSW | New South Wales |
| VIC | Victoria |
| QLD | Queensland |
| WA | Western Australia |
| SA | South Australia |
| TAS | Tasmania |
| ACT | Australian Capital Territory |
| NT | Northern Territory |

- (f) In this paper the term Commonwealth refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

The term Australian Government is used when referring to the Government and the decisions and activities made by the Government on behalf of the Commonwealth of Australia.

PART 1: AUSTRALIAN GOVERNMENT BUDGET OUTCOME

OVERVIEW

In 2014-15, the Australian Government general government sector recorded an underlying cash deficit of \$37.9 billion (2.4 per cent of gross domestic product (GDP)). The fiscal balance was in deficit by \$39.9 billion (2.5 per cent of GDP).

In cash terms, the Final Budget Outcome for 2014-15 was a \$3.3 billion improvement compared with the underlying cash deficit estimated at the time of the 2015-16 Budget. Total payments were \$2.9 billion lower than expected and total receipts were \$1.0 billion higher than expected. Net Future Fund earnings were \$660 million higher than expected at the time of the 2015-16 Budget.

In fiscal balance terms, the Final Budget Outcome for 2014-15 deteriorated by \$0.5 billion compared with the fiscal balance deficit estimated at the time of the 2015-16 Budget, with revenue \$3.4 billion lower, expenses \$2.4 billion lower, and net capital investment \$433 million lower than expected at the time of the 2015-16 Budget.

Real GDP growth in 2014-15 was in line with the 2015-16 Budget forecast of 2½ per cent. With the resources sector transitioning from the investment to production phase, mining exports grew strongly while mining-related investment detracted from growth in line with expectations. Housing construction grew at its fastest rate in 12 years, contributing significantly to growth. Although the fall in the terms of trade was lower than expected at the time of the 2015-16 Budget, it was the largest annual fall in over fifty years. The lower-than-expected decline in the terms of trade was due to both lower-than-expected prices for imports and higher-than-expected prices for agricultural exports. Nominal GDP growth in 2014-15 was slightly higher than the 2015-16 Budget forecast, but well below its long-term average, reflecting the decline in the terms of trade and subdued domestic price growth.

Tax receipts for 2014-15 were \$351.7 billion, \$222 million (0.1 per cent) higher than forecast at the 2015-16 Budget.

Australian Government general government sector net debt was \$238.7 billion (14.8 per cent of GDP), which is \$11.5 billion lower than estimated at the time of the 2015-16 Budget. The decline in net debt was primarily driven by a decline in the market value of the existing stock of Commonwealth Government Securities (CGS) on issue, owing to higher-than-expected yields. Australian Government general government sector net financial worth was -\$421.1 billion and net worth was -\$302.3 billion at the end of 2014-15.

Table 1: Australian Government general government sector budget aggregates

| | 2013-14 Outcome | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|-----------------------------------|--------------------|---|--------------------|--------------------------------|
| | \$b | \$b | \$b | \$b |
| Receipts | 360.3 | 377.3 | 378.3 | 1.0 |
| Per cent of GDP | 22.8 | 23.5 | 23.5 | |
| Payments(a) | 406.4 | 415.0 | 412.1 | -2.9 |
| Per cent of GDP | 25.7 | 25.9 | 25.6 | |
| Net Future Fund earnings | 2.3 | 3.4 | 4.1 | 0.7 |
| Underlying cash balance(b) | -48.5 | -41.1 | -37.9 | 3.3 |
| Per cent of GDP | -3.1 | -2.6 | -2.4 | |
| Revenue | 373.9 | 384.1 | 380.7 | -3.4 |
| Per cent of GDP | 23.6 | 23.9 | 23.6 | |
| Expenses | 413.8 | 420.3 | 417.9 | -2.4 |
| Per cent of GDP | 26.2 | 26.2 | 25.9 | |
| Net operating balance | -39.9 | -36.2 | -37.2 | -0.9 |
| Net capital investment | 3.8 | 3.1 | 2.7 | -0.4 |
| Fiscal balance | -43.7 | -39.4 | -39.9 | -0.5 |
| Per cent of GDP | -2.8 | -2.5 | -2.5 | |
| <i>Memorandum item:</i> | | | | |
| Headline cash balance | -52.5 | -43.2 | -38.9 | 4.3 |

(a) Equivalent to cash payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases.

(b) Excludes net Future Fund earnings.

UNDERLYING CASH BALANCE

The 2014-15 underlying cash deficit was \$37.9 billion, an improvement of \$3.3 billion compared with the estimate at the time of the 2015-16 Budget. This was the result of lower payments of \$2.9 billion and higher receipts of \$1.0 billion, partly offset by higher net Future Fund earnings of \$660 million.

Table 2: Summary of Australian Government general government sector cash flows

| | 2014-15 Estimate at 2015-16 Budget \$b | 2014-15 Outcome \$b | Change on 2015-16 Budget \$b |
|--|--|---------------------------|---------------------------------------|
| Cash receipts | | | |
| Operating cash receipts | 375.1 | 376.0 | 0.9 |
| Capital cash receipts(a) | 2.2 | 2.3 | 0.1 |
| Total cash receipts | 377.3 | 378.3 | 1.0 |
| Cash payments | | | |
| Operating cash payments | 403.2 | 400.7 | -2.5 |
| Capital cash payments(b) | 11.8 | 11.3 | -0.5 |
| Total cash payments | 415.0 | 412.0 | -3.0 |
| Finance leases and similar arrangements(c) | 0.0 | 0.1 | 0.1 |
| GFS cash surplus(+)/deficit(-) | -37.7 | -33.8 | 3.9 |
| Per cent of GDP | -2.3 | -2.1 | |
| <i>less</i> Net Future Fund earnings | 3.4 | 4.1 | 0.7 |
| Underlying cash balance(d) | -41.1 | -37.9 | 3.3 |
| Per cent of GDP | -2.6 | -2.4 | |
| <i>Memorandum items:</i> | | | |
| Net cash flows from investments in financial assets for policy purposes | -5.5 | -5.2 | 0.3 |
| <i>plus</i> Net Future Fund earnings | 3.4 | 4.1 | 0.7 |
| Headline cash balance | -43.2 | -38.9 | 4.3 |

(a) Equivalent to cash receipts from the sale of non-financial assets in the cash flow statement.

(b) Equivalent to cash payments for purchases of non-financial assets in the cash flow statement.

(c) The acquisition of assets under finance leases decreases the underlying cash balance. The disposal of assets previously held under finance leases increases the underlying cash balance.

(d) Excludes net Future Fund earnings.

Receipts

Total tax receipts for 2014-15 were \$351.7 billion, \$222 million (0.1 per cent) higher than expected in the 2015-16 Budget. Excluding GST, tax receipts were broadly in-line with 2015-16 Budget estimates.

Compared with the 2015-16 Budget, higher-than-expected individual and other withholding tax, GST, excise and customs duty receipts were partially offset by lower-than-expected company and superannuation fund tax receipts.

- Receipts from total individuals and other withholding taxes were \$1.3 billion (0.7 per cent) above the 2015-16 Budget estimate. This was primarily attributable to stronger-than-expected payments on assessment and lower-than-expected refunds related to 2013-14 income year returns lodged in May and June, reflecting in part stronger-than-expected capital gains tax liabilities.
- Total excise and customs duty receipts were \$768 million (2.3 per cent) above the 2015-16 Budget estimate. This primarily reflected higher-than-anticipated receipts for tobacco excise and customs duty.
- Receipts from the GST were \$257 million (0.5 per cent) above the 2015-16 Budget estimate, consistent with stronger-than-expected dwelling investment. Higher-than-expected GST receipts will be reflected in higher payments to the states.
- Company tax receipts were \$1.8 billion (2.7 per cent) below the 2015-16 Budget estimate. This was primarily caused by lower-than-expected monthly instalments in the mining sector.
- Receipts from superannuation fund taxes were \$267 million (4.4 per cent) below the 2015-16 Budget estimate.

Table 3: Australian Government general government sector (cash) receipts

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Individuals and other withholding taxes | | | |
| Gross income tax withholding | 166,300 | 166,352 | 52 |
| Gross other individuals | 37,600 | 38,541 | 941 |
| /less: Refunds | 27,300 | 27,033 | -267 |
| Total individuals and other withholding tax | 176,600 | 177,860 | 1,260 |
| Fringe benefits tax | 4,350 | 4,347 | -3 |
| Company tax | 68,000 | 66,174 | -1,826 |
| Superannuation fund taxes | 6,140 | 5,873 | -267 |
| Minerals resource rent tax(a) | 60 | 60 | 0 |
| Petroleum resource rent tax | 1,800 | 1,810 | 10 |
| Income taxation receipts | 256,950 | 256,125 | -825 |
| Goods and services tax | 54,285 | 54,542 | 257 |
| Wine equalisation tax | 780 | 792 | 12 |
| Luxury car tax | 500 | 520 | 20 |
| Excise and customs duty | | | |
| Petrol | 6,000 | 6,035 | 35 |
| Diesel | 8,800 | 8,908 | 108 |
| Other fuel products | 2,960 | 2,885 | -75 |
| Tobacco | 8,280 | 8,848 | 568 |
| Beer | 2,340 | 2,310 | -30 |
| Spirits | 1,980 | 1,996 | 16 |
| Other alcoholic beverages(b) | 910 | 899 | -11 |
| Other customs duty | | | |
| Textiles, clothing and footwear | 650 | 645 | -5 |
| Passenger motor vehicles | 700 | 732 | 32 |
| Other imports | 1,600 | 1,664 | 64 |
| /less: Refunds and drawbacks | 420 | 356 | -64 |
| Total excise and customs duty | 33,800 | 34,568 | 768 |
| Carbon pricing mechanism | 1,630 | 1,627 | -3 |
| Agricultural levies | 492 | 515 | 24 |
| Other taxes | 3,016 | 2,986 | -30 |
| Indirect taxation receipts | 94,502 | 95,550 | 1,048 |
| Taxation receipts | 351,452 | 351,675 | 222 |

Table 3: Australian Government general government sector (cash) receipts (continued)

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Sales of goods and services | 9,218 | 8,922 | -297 |
| Interest received | 3,131 | 3,056 | -75 |
| Dividends | 4,121 | 4,745 | 624 |
| Other non-taxation receipts | 9,386 | 9,904 | 517 |
| Non-taxation receipts | 25,856 | 26,626 | 769 |
| Total receipts | 377,309 | 378,301 | 992 |
| <i>Memorandum:</i> | | | |
| <i>Total excise</i> | <i>24,050</i> | <i>23,663</i> | <i>-387</i> |
| <i>Total customs duty</i> | <i>9,750</i> | <i>10,905</i> | <i>1,155</i> |
| <i>Medicare and DisabilityCare Australia levy</i> | <i>14,050</i> | <i>14,640</i> | <i>590</i> |

(a) The MRRT applied until 30 September 2014.

(b) Other alcoholic beverages are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

Non-tax receipts (excluding Future Fund receipts) were \$22.0 billion in 2014-15, \$256 million higher than estimated at the time of the 2015-16 Budget. This increase largely relates to greater than expected returns of unclaimed monies and receipts under health programmes which were higher than estimated at the time of the 2015-16 Budget.

Payments

Total cash payments were \$412.1 billion in 2014-15, \$2.9 billion lower than estimated at the time of the 2015-16 Budget. Total payments (excluding Future Fund payments) were \$411.5 billion, \$2.8 billion lower than estimated at the time of the 2015-16 Budget. The outcome reflects decreases in:

- payments associated with onshore immigration detention, largely reflecting occupancy levels lower than estimated, and payments in lower cost forms of immigration detention (\$389 million);
- demand and costs for a range of demand-driven health programmes, including private health insurance and pharmaceutical related programmes (\$372 million);
- payments related to Department of Defence (including Defence Materiel Organisation) operations, largely due to lower than expected payments for sustainment contract services, purchase of land, buildings, plant and equipment, construction support charges and estate maintenance (\$345 million);
- Family Tax Benefit payments, which largely reflects a lower than expected number of reconciliation payments and the timing of these payments (\$331 million);

- payments for Natural Disaster Relief, largely reflecting decreased funding under the Natural Disaster Relief and Recovery Arrangements (NDRRA) determination and the outcome of the audit on existing projects for non-Queensland jurisdictions which reduced eligibility for some projects (\$252 million);
- payments for a range of education and training related programmes under the Building Skills and Capability programme, largely reflecting lower than expected take up (\$224 million);
- payments for the Interest on Overpayment and Early Payment of Tax programme, largely reflecting the Australian Taxation Office's strategy to reduce the time taken to settle disputed cases (\$150 million);
- payments under a range of national partnership agreements, including housing (\$133 million) largely reflecting delays in the achievement of project milestones; and
- average payment rates under the Income Support for Seniors programme, as a result of stronger than anticipated increases in asset values held by recipients of the Age Pension (\$129 million).

These and other decreases were partially offset by the extinguishment of the provision for underspends in the Contingency Reserve.

Net Future Fund Earnings

The underlying cash balance excludes net Future Fund earnings. Net Future Fund earnings were \$4.1 billion in 2014-15, \$660 million higher than estimated at the time of the 2015-16 Budget, largely reflecting higher-than-estimated receipts from investment returns.

FISCAL BALANCE

The 2014-15 fiscal balance deficit was \$39.9 billion, a \$0.5 billion deterioration on the deficit of \$39.4 billion estimated at the time of the 2015-16 Budget. The cash receipt and payment variations outlined previously have a similar impact on revenue and expenses since fiscal and cash variances are typically driven by the same factors. However, the deterioration in the fiscal balance of \$0.5 billion, compared with the improvement in the underlying cash balance of \$3.3 billion, is the result of additional factors, as outlined below.

Revenue

Total revenue was \$380.7 billion in 2014-15, \$3.4 billion lower than estimated at the time of the 2015-16 Budget. In comparison, total cash receipts were \$378.3 billion in 2014-15, \$1.0 billion higher than estimated at the time of the 2015-16 Budget.

Taxation revenue was \$355.4 billion in 2014-15, \$3.8 billion lower than the estimate at the 2015-16 Budget.

Part 1: Australian Government Budget Outcome

The shortfall in taxation revenue was mostly driven by lower-than-expected company tax revenue. The company tax revenue shortfall totalled \$3.6 billion and comprised lower-than-expected company cash receipts collected in 2014-15 and a reduction in revenue from the settlement of disputed amounts.

Total non-tax revenue was \$25.4 billion in 2014-15, \$408 million higher than estimated at the 2015-16 Budget. Non-tax receipts were \$26.6 billion, \$769 million higher than estimated at Budget.

The \$361 million difference in outcomes for non-tax revenue and non-tax receipts is largely a result of increases in non-tax receipts, which did not have a corresponding non-tax revenue impact in 2014-15. This includes higher dividends from the Reserve Bank of Australia than estimated at the time of the 2015-16 Budget, partially offset by lower than estimated interest revenue items with non-cash impacts.

Table 4: Australian Government general government sector (accrual) revenue

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Individuals and other withholding taxes | | | |
| Gross income tax withholding | 167,860 | 167,645 | -215 |
| Gross other individuals | 40,600 | 40,565 | -35 |
| /less: Refunds | 27,300 | 27,033 | -267 |
| Total individuals and other withholding tax | 181,160 | 181,177 | 17 |
| Fringe benefits tax | 4,480 | 4,393 | -87 |
| Company tax | 69,900 | 66,311 | -3,589 |
| Superannuation fund taxes | 6,200 | 5,890 | -310 |
| Minerals resource rent tax(a) | 60 | 63 | 3 |
| Petroleum resource rent tax | 1,640 | 1,319 | -321 |
| Income taxation revenue | 263,440 | 259,151 | -4,289 |
| Goods and services tax | 56,690 | 56,462 | -228 |
| Wine equalisation tax | 820 | 828 | 8 |
| Luxury car tax | 510 | 540 | 30 |
| Excise and customs duty | | | |
| Petrol | 6,020 | 6,042 | 22 |
| Diesel | 8,830 | 8,918 | 88 |
| Other fuel products | 2,980 | 2,887 | -93 |
| Tobacco | 8,290 | 8,826 | 536 |
| Beer | 2,350 | 2,312 | -38 |
| Spirits | 1,980 | 1,997 | 17 |
| Other alcoholic beverages(b) | 910 | 900 | -10 |
| Other customs duty | | | |
| Textiles, clothing and footwear | 650 | 645 | -5 |
| Passenger motor vehicles | 700 | 732 | 32 |
| Other imports | 1,600 | 1,665 | 65 |
| /less: Refunds and drawbacks | 420 | 356 | -64 |
| Total excise and customs duty | 33,890 | 34,570 | 680 |
| Agricultural levies | 492 | 509 | 17 |
| Other taxes | 3,275 | 3,295 | 21 |
| Indirect taxation revenue | 95,677 | 96,205 | 529 |
| Taxation revenue | 359,117 | 355,357 | -3,759 |

Table 4: Australian Government general government sector (accrual) revenue (continued)

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Sales of goods and services | 9,277 | 9,058 | -219 |
| Interest | 3,653 | 3,147 | -506 |
| Dividends | 4,796 | 6,178 | 1,382 |
| Other non-taxation revenue | 7,255 | 7,006 | -249 |
| Non-taxation revenue | 24,981 | 25,389 | 408 |
| Total revenue | 384,098 | 380,746 | -3,351 |
| <i>Memorandum:</i> | | | |
| <i>Total excise</i> | <i>24,140</i> | <i>23,687</i> | <i>-453</i> |
| <i>Total customs duty</i> | <i>9,750</i> | <i>10,884</i> | <i>1,134</i> |
| <i>Medicare and DisabilityCare Australia levy (c)</i> | <i>14,050</i> | <i>14,640</i> | <i>590</i> |

(a) The MRRRT applied until 30 September 2014.

(b) Other alcoholic beverages are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

(c) From the 2014-15 Budget, Medicare and DisabilityCare Australia levy revenue is based on when collections relating to the levy are received.

Expenses and net capital investment

Total expenses were \$417.9 billion in 2014-15, \$2.4 billion lower than estimated at the time of the 2015-16 Budget. Total net capital investment for 2014-15 was \$2.7 billion, \$433 million lower than the estimate of \$3.1 billion. This results in a lower than estimated net outcome for expenses and net capital investment of \$2.8 billion.

In comparison, cash payments were \$412.1 billion in 2014-15, \$2.9 billion lower than estimated at the 2015-16 Budget.

The difference of \$51 million between the lower than estimated net outcome for expenses and net capital investment of \$2.8 billion and the lower than estimated outcome for cash payments of \$2.9 billion largely relates to the timing difference between when payments are made and expenses are accrued. This includes the provision of GST to the States and Territories, and timing differences between expenses and payments related to the Department of Defence (including Defence Materiel Organisation).

Further information on expenses by function and sub-function are provided in Appendix A.

Table 5: Australian Government general government sector expenses by function

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| General public services | | | |
| Legislative and executive affairs | 1,165 | 1,124 | -42 |
| Financial and fiscal affairs | 7,763 | 7,145 | -618 |
| Foreign affairs and economic aid | 6,324 | 6,393 | 69 |
| General research | 2,847 | 2,766 | -81 |
| General services | 860 | 720 | -140 |
| Government superannuation benefits | 6,208 | 6,457 | 249 |
| Defence | 24,612 | 23,790 | -822 |
| Public order and safety | 4,580 | 4,443 | -138 |
| Education | 31,202 | 31,101 | -101 |
| Health | 67,037 | 65,696 | -1,341 |
| Social security and welfare | 149,107 | 147,787 | -1,320 |
| Housing and community amenities | 4,940 | 4,835 | -105 |
| Recreation and culture | 3,520 | 3,534 | 14 |
| Fuel and energy | 6,986 | 6,799 | -187 |
| Agriculture, forestry and fishing | 2,731 | 2,411 | -321 |
| Mining, manufacturing and construction | 3,218 | 3,550 | 332 |
| Transport and communication | 6,504 | 6,433 | -71 |
| Other economic affairs | | | |
| Tourism and area promotion | 172 | 186 | 14 |
| Total labour and employment affairs | 3,903 | 3,673 | -231 |
| Immigration | 4,459 | 4,036 | -422 |
| Other economic affairs nec | 2,146 | 2,151 | 5 |
| Other purposes | | | |
| Public debt interest | 14,468 | 14,491 | 23 |
| Nominal superannuation interest | 8,989 | 8,999 | 10 |
| General purpose inter-governmental transactions | 57,467 | 58,859 | 1,392 |
| Natural disaster relief | 36 | 522 | 486 |
| Contingency reserve | -911 | 0 | 911 |
| Total expenses | 420,335 | 417,898 | -2,437 |

Table 6: Australian Government general government sector net capital investment by function

| | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|--|---|--------------------|--------------------------------|
| | \$m | \$m | \$m |
| General public services | 792 | 523 | -269 |
| Defence | 3,752 | 3,967 | 215 |
| Public order and safety | 123 | 68 | -55 |
| Education | -16 | -9 | 7 |
| Health | -17 | 1 | 18 |
| Social security and welfare | 21 | 7 | -14 |
| Housing and community amenities | 107 | -33 | -140 |
| Recreation and culture | 71 | -28 | -99 |
| Fuel and energy | 2 | -1 | -3 |
| Agriculture, forestry and fishing | 67 | 129 | 62 |
| Mining, manufacturing and construction | -6 | -8 | -2 |
| Transport and communication | -2,145 | -2,144 | 1 |
| Other economic affairs | 369 | 233 | -136 |
| Other purposes | 17 | 0 | -17 |
| Total net capital investment | 3,138 | 2,706 | -433 |

Table 7: Australian Government general government sector purchases of non-financial assets by function

| | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|---|---|--------------------|--------------------------------|
| | \$m | \$m | \$m |
| General public services | 1,435 | 1,505 | 70 |
| Defence | 7,882 | 7,818 | -64 |
| Public order and safety | 507 | 470 | -37 |
| Education | 13 | 21 | 8 |
| Health | 81 | 79 | -2 |
| Social security and welfare | 357 | 382 | 26 |
| Housing and community amenities | 51 | 56 | 5 |
| Recreation and culture | 318 | 309 | -10 |
| Fuel and energy | 4 | 4 | 0 |
| Agriculture, forestry and fishing | 102 | 158 | 55 |
| Mining, manufacturing and construction | 8 | 6 | -1 |
| Transport and communication | 57 | 46 | -11 |
| Other economic affairs | 791 | 698 | -93 |
| Other purposes | 17 | 0 | -17 |
| Total Government purchases of non-financial assets | 11,622 | 11,553 | -70 |

HEADLINE CASH BALANCE ESTIMATES

The headline cash balance consists of the underlying cash balance, net cash flows from investments in financial assets for policy purposes (for example, the equity funding of NBN Co), and net Future Fund earnings.

Table 8 provides further detail between the underlying and headline cash balance estimates of the Australian Government general government sector in 2014-15.

At the end of 2014-15, the headline cash balance was \$38.9 billion, a \$4.3 billion improvement from the estimate at the time of the 2015-16 Budget. The improvement in the headline cash balance was primarily driven by the change in the underlying cash balance and net Future Fund earnings.

Table 8: Details of the Australian Government general government sector items between the underlying and headline cash balance

| | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|--|---|--------------------|--------------------------------|
| | \$m | \$m | \$m |
| 2014-15 Outcome underlying cash balance(a) | -41,121 | -37,867 | 3,253 |
| plus Net cash flows from investments in financial assets for policy purpose | | | |
| Students loans | -6,381 | -6,330 | 51 |
| NBN investment | -4,917 | -4,767 | 150 |
| Sale of Medibank Private | 5,679 | 5,688 | 10 |
| Residential mortgage backed securities | 1,980 | 1,755 | -225 |
| Trade support loans | -72 | -70 | 1 |
| Asbestos removal in the ACT - Mr Fluffy loose fill asbestos remediation | -750 | -750 | 0 |
| Net other | -1,039 | -684 | 355 |
| Total net cash flows from investments in financial assets for policy purposes | -5,500 | -5,158 | 342 |
| plus Net Future Fund earnings | 3,429 | 4,089 | 660 |
| 2014-15 Outcome headline cash balance | -43,191 | -38,936 | 4,255 |

(a) Excludes net Future Fund earnings.

NET DEBT, NET FINANCIAL WORTH AND NET WORTH

At the end of 2014-15, the level of Australian Government net debt was \$238.7 billion (14.8 per cent of GDP), \$11.5 billion lower than estimated at the time of the 2015-16 Budget.

The decline in net debt compared with the level expected at the 2015-16 Budget was primarily driven by a decline in the market value of the existing stock of Commonwealth Government Securities (CGS) on issue, owing to higher-than-expected yields. CGS are reported in the general government sector balance sheet in market value terms, consistent with the Australian Accounting Standards.

Part 1: Australian Government Budget Outcome

A lower-than-expected underlying cash deficit also contributed to the decline in net debt compared with the level expected at Budget.

Net financial worth was -\$421.1 billion at the end of 2014-15, compared with -\$350.1 billion estimated at the 2015-16 Budget.

Net worth was -\$302.3 billion at the end of 2014-15, compared with -\$231.3 billion estimated at the 2015-16 Budget.

The change in the market value of CGS described above improves net financial worth and net worth. In addition to this, changes in net financial worth and net worth since the Budget reflect a significant increase in the Government's reported superannuation liability. This is the result of a large difference between the long-term discount rate used in the Budget (6.0 per cent per annum) and the actual bond rate as at 30 June 2015 (3.7 per cent per annum) used to value the superannuation liability. The use of two different discount rates is the usual practice, applied in previous Budgets and Final Budget Outcomes.

Table 9: Australian Government general government sector net worth, net financial worth, net debt and net interest payments

| | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|-------------------------------|---|--------------------|--------------------------------|
| | \$b | \$b | \$b |
| Financial assets | 309.9 | 315.6 | 5.8 |
| Non-financial assets | 118.8 | 118.8 | 0.0 |
| Total assets | 428.7 | 434.4 | 5.8 |
| Total liabilities | 660.0 | 736.8 | 76.8 |
| Net worth | -231.3 | -302.3 | -71.0 |
| Net financial worth(a) | -350.1 | -421.1 | -71.0 |
| Per cent of GDP | -21.8 | -26.1 | |
| Net debt(b) | 250.2 | 238.7 | -11.5 |
| Per cent of GDP | 15.6 | 14.8 | |
| Net interest payments | 10.9 | 10.9 | 0.0 |
| Per cent of GDP | 0.7 | 0.7 | |

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

(b) Net debt equals the sum of deposits held, government securities, loans and other borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

PART 2: AUSTRALIAN GOVERNMENT FINANCIAL STATEMENTS

Consistent with the *Charter of Budget Honesty Act 1998* (the Charter), the Government has produced a single set of financial statements for the Australian Government general government sector (GGS), the public non-financial corporations (PNFC) sector, the total non-financial public sector (NFPS) and the public financial corporations (PFC). The financial statements comply with both Australian Bureau of Statistics' (ABS) accrual Government Finance Statistics (GFS) and Australian Accounting Standards (AAS), with departures disclosed. These statements are:

- an operating statement, including other economic flows, which shows net operating balance and net lending/borrowing (fiscal balance);
- a balance sheet, which also shows net worth, net financial worth, net financial liabilities and net debt; and
- a cash flow statement, which includes the calculation of the underlying cash balance.

In addition to these general purpose statements, notes to the financial statements are required. These notes include a summary of accounting policies, disaggregated information and other disclosures required by AAS.

The financial statements for the *Final Budget Outcome 2014-15* have been prepared on a basis consistent with the 2015-16 Budget. This enables comparison of the 2014-15 revised estimates published at the 2015-16 Budget and the outcome.

The statements reflect the policy that ABS GFS remains the basis of budget accounting policy, except where the Government applies AAS because it provides a better conceptual basis for presenting information of relevance to users of public sector financial reports.

The Australian, state and territory governments have an agreed framework – the Uniform Presentation Framework (UPF) – for the presentation of government financial information on a basis broadly consistent with the Australian Accounting Standards Board standard AASB 1049. The financial statements are consistent with the requirements of the UPF.

In accordance with the UPF requirements, this part also contains an update of the Australian Loan Council Allocation.

AUSTRALIAN GOVERNMENT FINANCIAL STATEMENTS

Table 10: Australian Government general government sector operating statement

| | | 2014-15 Estimate at 2015-16 Budget | Month of June 2015(d) | 2014-15 Outcome | Change on 2015-16 Budget |
|--|------|---|--------------------------|--------------------|--------------------------------|
| | Note | \$m | \$m | \$m | \$m |
| Revenue | | | | | |
| Taxation revenue | 3 | 359,117 | 26,379 | 355,357 | -3,759 |
| Sales of goods and services | 4 | 9,277 | 750 | 9,058 | -219 |
| Interest income | 5 | 3,653 | 0 | 3,147 | -506 |
| Dividend income | 5 | 4,796 | 2,295 | 6,178 | 1,382 |
| Other | 6 | 7,255 | 841 | 7,006 | -249 |
| Total revenue | | 384,098 | 30,265 | 380,746 | -3,351 |
| Expenses | | | | | |
| Gross operating expenses | | | | | |
| Wages and salaries(a) | 7 | 18,939 | 1,446 | 18,357 | -582 |
| Superannuation | 7 | 6,803 | 1,047 | 6,927 | 124 |
| Depreciation and amortisation | 8 | 6,804 | 446 | 6,805 | 1 |
| Supply of goods and services | 9 | 80,474 | 8,035 | 79,454 | -1,020 |
| Other operating expenses(a) | 7 | 5,502 | 628 | 5,746 | 244 |
| <i>Total gross operating expenses</i> | | <i>118,522</i> | <i>11,602</i> | <i>117,289</i> | <i>-1,233</i> |
| Superannuation interest expense | 7 | 8,989 | 770 | 8,999 | 10 |
| Interest expenses | 10 | 15,915 | 1,509 | 16,022 | 107 |
| Current transfers | | | | | |
| Current grants | 11 | 124,435 | 15,006 | 124,636 | 201 |
| Subsidy expenses | | 12,522 | 1,522 | 12,506 | -16 |
| Personal benefits | 12 | 130,663 | 9,954 | 129,190 | -1,474 |
| <i>Total current transfers</i> | | <i>267,620</i> | <i>26,482</i> | <i>266,332</i> | <i>-1,288</i> |
| Capital transfers | | | | | |
| Mutually agreed write-downs | | 2,124 | -151 | 1,857 | -268 |
| Other capital grants | | 7,164 | 1,183 | 7,398 | 234 |
| <i>Total capital transfers</i> | | <i>9,288</i> | <i>1,032</i> | <i>9,255</i> | <i>-34</i> |
| Total expenses | | 420,335 | 41,395 | 417,898 | -2,437 |
| Net operating balance | | -36,237 | -11,129 | -37,151 | -914 |
| Other economic flows - included in operating result | | | | | |
| Net write-downs of assets | | | | | |
| (including bad and doubtful debts) | | -6,878 | -1,803 | -7,171 | -292 |
| Assets recognised for the first time | | 319 | 32 | 327 | 8 |
| Liabilities recognised for the first time | | 0 | 0 | 0 | 0 |
| Actuarial revaluations | | 0 | 0 | 0 | 0 |
| Net foreign exchange gains | | -247 | 90 | -2,335 | -2,088 |
| Net swap interest received | | -799 | 26 | -943 | -144 |
| Market valuation of debt | | -14,521 | 5,963 | -7,499 | 7,022 |
| Other gains/(losses) | | 20,826 | -549 | 24,757 | 3,930 |
| Total other economic flows - included in operating result | | -1,300 | 3,759 | 7,135 | 8,435 |

Table 10: Australian Government general government sector operating statement (continued)

| | 2014-15 Estimate at 2015-16 Budget \$m | Month of June 2015(d) \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------------|---------------------------|---------------------------------------|
| Operating result(b) | -37,537 | -7,370 | -30,016 | 7,521 |
| Non-owner movements in equity | | | | |
| Revaluation of equity investments | 2,681 | 4,374 | 3,206 | 525 |
| Actuarial revaluations | -3,383 | -1,916 | -1,916 | 1,467 |
| Other economic revaluations | -3,554 | 1,298 | -1,714 | 1,839 |
| Total other economic flows - included in equity | -4,256 | 3,757 | -424 | 3,831 |
| Comprehensive result - Total change in net worth | -41,793 | -3,613 | -30,440 | 11,353 |
| Net operating balance | -36,237 | -11,129 | -37,151 | -914 |
| Net acquisition of non-financial assets | | | | |
| Purchases of non-financial assets | 11,622 | 3,075 | 11,553 | -70 |
| <i>less</i> Sales of non-financial assets | 2,348 | 118 | 2,423 | 74 |
| <i>less</i> Depreciation | 6,804 | 446 | 6,805 | 1 |
| <i>plus</i> Change in inventories | 494 | 205 | 581 | 87 |
| <i>plus</i> Other movements in non-financial assets | 174 | 9 | -201 | -374 |
| Total net acquisition of non-financial assets | 3,138 | 2,725 | 2,706 | -433 |
| Fiscal balance (Net lending/borrowing)(c) | -39,375 | -13,854 | -39,857 | -481 |

(a) Consistent with ABS GFS classification, other employee related expenses are reported under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

(b) Operating result under AAS.

(c) The term fiscal balance is not used by the ABS.

(d) The month of June is derived by deducting May year-to-date published data from the annual outcome. Statistically, June movements in some series relate to earlier published months that are not reissued; this can result in negative movements.

Table 11: Australian Government general government sector balance sheet

| | | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|----|--|---------------------------|---------------------------------------|
| Assets | | | | |
| Financial assets | | | | |
| Cash and deposits | | 3,144 | 3,156 | 12 |
| Advances paid | 13 | 45,874 | 45,818 | -56 |
| Investments, loans and placements | 14 | 131,157 | 136,377 | 5,220 |
| Other receivables | 13 | 44,828 | 46,802 | 1,974 |
| Equity investments | | | | |
| Investments in other public sector entities | | 39,708 | 40,216 | 508 |
| Equity accounted investments | | 326 | 304 | -22 |
| Investments - shares | | 44,847 | 42,976 | -1,871 |
| Total financial assets | | 309,884 | 315,649 | 5,765 |
| Non-financial assets | 15 | | | |
| Land | | 9,287 | 9,940 | 653 |
| Buildings | | 26,043 | 25,639 | -405 |
| Plant, equipment and infrastructure | | 57,012 | 56,339 | -673 |
| Inventories | | 8,360 | 8,420 | 60 |
| Intangibles | | 6,312 | 6,543 | 231 |
| Investment property | | 195 | 187 | -8 |
| Biological assets | | 36 | 44 | 9 |
| Heritage and cultural assets | | 10,843 | 11,332 | 489 |
| Assets held for sale | | 113 | 129 | 16 |
| Other non-financial assets | | 582 | 206 | -376 |
| Total non-financial assets | | 118,784 | 118,779 | -5 |
| Total assets | | 428,668 | 434,429 | 5,761 |
| Liabilities | | | | |
| Interest bearing liabilities | | | | |
| Deposits held | | 211 | 218 | 7 |
| Government securities | | 418,307 | 409,936 | -8,370 |
| Loans | 16 | 10,347 | 12,277 | 1,931 |
| Other borrowing | | 1,545 | 1,640 | 96 |
| Total interest bearing liabilities | | 430,409 | 424,072 | -6,337 |
| Provisions and payables | | | | |
| Superannuation liability | 17 | 167,327 | 248,209 | 80,882 |
| Other employee liabilities | 17 | 16,030 | 17,052 | 1,022 |
| Suppliers payable | 18 | 4,956 | 4,480 | -476 |
| Personal benefits provisions and payables | 18 | 13,261 | 14,095 | 834 |
| Subsidies provisions and payables | 18 | 4,585 | 4,494 | -91 |
| Grants provisions and payables | 18 | 10,325 | 11,696 | 1,371 |
| Other provisions and payables | 18 | 13,086 | 12,680 | -405 |
| Total provisions and payables | | 229,571 | 312,706 | 83,136 |
| Total liabilities | | 659,979 | 736,778 | 76,799 |

Table 11: Australian Government general government sector balance sheet (continued)

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|-------------------------------------|--|---------------------------|---------------------------------------|
| Net worth(a) | -231,311 | -302,350 | -71,038 |
| <i>Net financial worth(b)</i> | -350,096 | -421,129 | -71,034 |
| <i>Net financial liabilities(c)</i> | 389,804 | 461,345 | 71,541 |
| <i>Net debt(d)</i> | 250,234 | 238,721 | -11,513 |

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

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

(c) Net financial liabilities equals total liabilities less financial assets other than investments in other public sector entities.

(d) Net debt equals the sum of deposits held, government securities, loans and other borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

Table 12: Australian Government general government sector cash flow statement^(a)

| | 2014-15 Estimate at 2015-16 Budget \$m | Month of June 2015(d) \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------------|---------------------------|---------------------------------------|
| Cash receipts from operating activities | | | | |
| Taxes received | 351,452 | 32,188 | 351,675 | 222 |
| Receipts from sales of goods and services | 9,218 | 850 | 8,922 | -297 |
| Interest receipts | 3,131 | 589 | 3,056 | -75 |
| Dividends and income tax equivalents | 4,121 | 182 | 4,745 | 624 |
| Other receipts | 7,164 | 1,203 | 7,598 | 435 |
| Total operating receipts | 375,087 | 35,012 | 375,995 | 909 |
| Cash payments for operating activities | | | | |
| Payments for employees | -26,061 | -1,976 | -25,775 | 286 |
| Payments for goods and services | -80,293 | -8,276 | -80,336 | -43 |
| Grants and subsidies paid | -146,048 | -16,506 | -144,512 | 1,535 |
| Interest paid | -14,037 | -637 | -13,924 | 113 |
| Personal benefit payments | -131,520 | -9,995 | -130,891 | 629 |
| Other payments | -5,247 | -822 | -5,289 | -42 |
| Total operating payments | -403,206 | -38,213 | -400,727 | 2,479 |
| Net cash flows from operating activities | -28,119 | -3,201 | -24,731 | 3,388 |
| Cash flows from investments in non-financial assets | | | | |
| Sales of non-financial assets | 2,222 | 155 | 2,305 | 83 |
| Purchases of non-financial assets | -11,795 | -3,143 | -11,280 | 514 |
| Net cash flows from investments in non-financial assets | -9,572 | -2,988 | -8,975 | 597 |
| Net cash flows from investments in financial assets for policy purposes | -5,500 | -941 | -5,158 | 342 |
| Cash flows from investments in financial assets for liquidity purposes | | | | |
| Increase in investments | -9,021 | 1,091 | -11,957 | -2,936 |
| Net cash flows from investments in financial assets for liquidity purposes | -9,021 | 1,091 | -11,957 | -2,936 |
| Cash receipts from financing activities | | | | |
| Borrowing | 53,695 | 6,102 | 52,381 | -1,314 |
| Other financing | 48 | -2 | -1 | -49 |
| Total cash receipts from financing activities | 53,743 | 6,100 | 52,380 | -1,363 |
| Cash payments for financing activities | | | | |
| Borrowing | 0 | 0 | 0 | 0 |
| Other financing | -2,231 | -77 | -2,247 | -16 |
| Total cash payments for financing activities | -2,231 | -77 | -2,247 | -16 |
| Net cash flows from financing activities | 51,512 | 6,023 | 50,133 | -1,379 |
| Net increase/(decrease) in cash held | -701 | -16 | -689 | 12 |

Table 12: Australian Government general government sector cash flow statement (continued)^(a)

| | 2014-15 Estimate at 2015-16 Budget \$m | Month of June 2015(d) \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------------|---------------------------|---------------------------------------|
| Net cash flows from operating activities and investments in non-financial assets (Surplus+)/deficit(-) | -37,691 | -6,189 | -33,706 | 3,985 |
| Finance leases and similar arrangements(b) | 0 | -15 | -72 | -72 |
| GFS cash surplus(+)/deficit(-) | -37,691 | -6,204 | -33,778 | 3,913 |
| <i>less</i> Net Future Fund earnings | 3,429 | 205 | 4,089 | 660 |
| Equals underlying cash balance(c) | -41,121 | -6,409 | -37,867 | 3,253 |
| <i>plus</i> Net cash flows from investments in financial assets for policy purposes | -5,500 | -941 | -5,158 | 342 |
| <i>plus</i> Net Future Fund earnings | 3,429 | 205 | 4,089 | 660 |
| Equals headline cash balance | -43,191 | -7,145 | -38,936 | 4,255 |

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

(b) The acquisition of assets under finance leases decreases the underlying cash balance. The disposal of assets previously held under finance leases increases the underlying cash balance.

(c) The term underlying cash balance is not used by the ABS.

(d) The month of June is derived by deducting May year-to-date published data from the annual outcome. Statistically, June movements in some series relate to earlier published months that are not reissued; this can result in negative movements.

Table 13: Australian Government public non-financial corporations sector operating statement

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Revenue | | | |
| Current grants and subsidies | 73 | 54 | -19 |
| Sales of goods and services | 9,640 | 9,840 | 200 |
| Interest income | 41 | 44 | 3 |
| Other | 10 | 49 | 39 |
| Total revenue | 9,764 | 9,987 | 223 |
| Expenses | | | |
| Gross operating expenses | | | |
| Wages and salaries(a) | 3,793 | 3,764 | -29 |
| Superannuation | 381 | 354 | -27 |
| Depreciation and amortisation | 1,256 | 1,191 | -65 |
| Supply of goods and services | 5,271 | 5,189 | -82 |
| Other operating expenses(a) | 543 | 806 | 262 |
| <i>Total gross operating expenses</i> | <i>11,244</i> | <i>11,304</i> | <i>60</i> |
| Interest expenses | 445 | 420 | -25 |
| Other property expenses | 65 | 94 | 28 |
| Current transfers | | | |
| Tax expenses | 70 | 32 | -38 |
| <i>Total current transfers</i> | <i>70</i> | <i>32</i> | <i>-38</i> |
| Total expenses | 11,825 | 11,850 | 25 |
| Net operating balance | -2,061 | -1,863 | 198 |
| Other economic flows | -410 | 285 | 694 |
| Comprehensive result - Total change in net worth excluding contribution from owners | -2,471 | -1,578 | 892 |
| Net acquisition of non-financial assets | | | |
| Purchases of non-financial assets | 2,678 | 4,233 | 1,555 |
| <i>less</i> Sales of non-financial assets | <i>77</i> | <i>75</i> | <i>-2</i> |
| <i>less</i> Depreciation | <i>1,256</i> | <i>1,191</i> | <i>-65</i> |
| <i>plus</i> Change in inventories | <i>7</i> | <i>8</i> | <i>2</i> |
| <i>plus</i> Other movements in non-financial assets | <i>1,200</i> | <i>18</i> | <i>-1,182</i> |
| Total net acquisition of non-financial assets | 2,552 | 2,993 | 441 |
| Fiscal balance (Net lending/borrowing)(b) | -4,613 | -4,856 | -243 |

(a) Consistent with ABS GFS classification, other employee related expenses are reported under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

(b) The term fiscal balance is not used by the ABS.

Table 14: Australian Government public non-financial corporations sector balance sheet

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Assets | | | |
| Financial assets | | | |
| Cash and deposits | 1,703 | 2,042 | 340 |
| Investments, loans and placements | 106 | 1,137 | 1,030 |
| Other receivables | 1,681 | 1,459 | -222 |
| Equity investments | 3 | 3 | 0 |
| <i>Total financial assets</i> | <i>3,492</i> | <i>4,640</i> | <i>1,148</i> |
| Non-financial assets | | | |
| Land and other fixed assets | 18,773 | 21,744 | 2,970 |
| Other non-financial assets(a) | 3,626 | 236 | -3,390 |
| <i>Total non-financial assets</i> | <i>22,400</i> | <i>21,979</i> | <i>-420</i> |
| Total assets | 25,892 | 26,620 | 728 |
| Liabilities | | | |
| Interest bearing liabilities | | | |
| Advances received | 319 | 337 | 18 |
| Loans | 2,242 | 2,330 | 88 |
| Other borrowing | 3,766 | 3,834 | 68 |
| <i>Total interest bearing liabilities</i> | <i>6,327</i> | <i>6,501</i> | <i>174</i> |
| Provisions and payables | | | |
| Superannuation liability | 5 | 5 | 1 |
| Other employee liabilities | 1,463 | 1,588 | 126 |
| Other provisions and payables(a) | 3,510 | 3,365 | -145 |
| <i>Total provisions and payables</i> | <i>4,977</i> | <i>4,959</i> | <i>-18</i> |
| Total liabilities | 11,304 | 11,460 | 156 |
| Shares and other contributed capital | 14,588 | 15,159 | 572 |
| Net worth(b) | 14,588 | 15,159 | 572 |
| <i>Net financial worth(c)</i> | <i>-7,812</i> | <i>-6,820</i> | <i>992</i> |
| <i>Net debt(d)</i> | <i>4,518</i> | <i>3,322</i> | <i>-1,196</i> |

(a) Excludes the impact of commercial taxation adjustments.

(b) Under AASB 1049, net worth is calculated as total assets minus total liabilities. Under ABS GFS, net worth is calculated as total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

(c) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under ABS GFS, net financial worth equals total financial assets minus total liabilities, minus shares and other contributed capital. The AASB 1049 method is used in this table.

(d) Net debt equals the sum of interest bearing liabilities (deposits held, advances received, loans and other borrowing), minus the sum of cash and deposits and investments, loans and placements.

Table 15: Australian Government public non-financial corporations sector cash flow statement^(a)

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Cash receipts from operating activities | | | |
| Receipts from sales of goods and services | 10,257 | 10,732 | 475 |
| Grants and subsidies received | 0 | 23 | 23 |
| GST input credit receipts | 428 | 370 | -58 |
| Other receipts | 65 | 56 | -9 |
| Total operating receipts | 10,750 | 11,181 | 431 |
| Cash payments for operating activities | | | |
| Payments to employees | -4,510 | -4,667 | -158 |
| Payment for goods and services | -7,016 | -6,154 | 863 |
| Interest paid | -67 | -57 | 10 |
| GST payments to taxation authority | -43 | -317 | -274 |
| Other payments | -48 | -44 | 4 |
| Total operating payments | -11,683 | -11,238 | 445 |
| Net cash flows from operating activities | -933 | -57 | 876 |
| Cash flows from investments in non-financial assets | | | |
| Sales of non-financial assets | 71 | 75 | 4 |
| Purchases of non-financial assets | -3,851 | -3,801 | 50 |
| Net cash flows from investments in non-financial assets | -3,781 | -3,726 | 55 |
| Net cash flows from investments in financial assets for policy purposes | 0 | 0 | 0 |
| Cash flows from investments in financial assets for liquidity purposes | | | |
| Increase in investments | 72 | -46 | -118 |
| Net cash flows from investments in financial assets for liquidity purposes | 72 | -46 | -118 |
| Net cash flows from financing activities | | | |
| Borrowing (net) | -86 | 105 | 191 |
| Other financing (net) | 5,150 | 4,483 | -667 |
| Distributions paid (net) | -100 | -96 | 4 |
| Net cash flows from financing activities | 4,965 | 4,492 | -473 |
| Net increase/(decrease) in cash held | 323 | 662 | 340 |
| Cash at the beginning of the year | 1,380 | 1,380 | 0 |
| Cash at the end of the year | 1,703 | 2,042 | 340 |
| Net cash from operating activities and investments in non-financial assets | -4,714 | -3,784 | 931 |
| Distributions paid | -100 | -96 | 4 |
| Equals surplus(+)/deficit(-) | -4,814 | -3,880 | 934 |
| Finance leases and similar arrangements(b) | 0 | -408 | -408 |
| GFS cash surplus(+)/deficit(-) | -4,814 | -4,288 | 526 |

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

(b) The acquisition of assets under finance leases decreases the surplus or increases the deficit. The disposal of assets previously held under finance leases increases the surplus or decreases the deficit.

Table 16: Australian Government total non-financial public sector operating statement

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Revenue | | | |
| Taxation revenue | 359,046 | 355,325 | -3,721 |
| Sales of goods and services | 17,533 | 17,373 | -159 |
| Interest income | 3,676 | 3,173 | -502 |
| Dividend income | 4,731 | 6,084 | 1,353 |
| Other | 7,265 | 7,055 | -210 |
| Total revenue | 392,250 | 389,011 | -3,240 |
| Expenses | | | |
| Gross operating expenses | | | |
| Wages and salaries(a) | 22,732 | 22,121 | -611 |
| Superannuation | 7,184 | 7,281 | 97 |
| Depreciation and amortisation | 8,060 | 7,996 | -64 |
| Supply of goods and services | 84,362 | 83,119 | -1,243 |
| Other operating expenses(a) | 6,045 | 6,552 | 507 |
| <i>Total gross operating expenses</i> | <i>128,382</i> | <i>127,068</i> | <i>-1,314</i> |
| Superannuation interest expense | 8,989 | 8,999 | 10 |
| Interest expenses | 16,341 | 16,424 | 83 |
| Current transfers | | | |
| Current grants | 124,435 | 124,636 | 201 |
| Subsidy expenses | 12,449 | 12,452 | 3 |
| Personal benefits | 130,663 | 129,190 | -1,474 |
| <i>Total current transfers</i> | <i>267,547</i> | <i>266,278</i> | <i>-1,269</i> |
| Capital transfers | 9,288 | 9,255 | -34 |
| Total expenses | 430,548 | 428,025 | -2,524 |
| Net operating balance | -38,298 | -39,014 | -716 |
| Other economic flows | -3,775 | 9,520 | 13,295 |
| Comprehensive result - Total change in net worth | -42,073 | -29,494 | 12,579 |
| Net acquisition of non-financial assets | | | |
| Purchases of non-financial assets | 14,300 | 15,785 | 1,485 |
| <i>less</i> Sales of non-financial assets | <i>2,425</i> | <i>2,497</i> | <i>72</i> |
| <i>less</i> Depreciation | <i>8,060</i> | <i>7,996</i> | <i>-64</i> |
| <i>plus</i> Change in inventories | <i>501</i> | <i>590</i> | <i>88</i> |
| <i>plus</i> Other movements in non-financial assets | <i>1,373</i> | <i>-183</i> | <i>-1,557</i> |
| Total net acquisition of non-financial assets | 5,690 | 5,699 | 8 |
| Fiscal balance (Net lending/borrowing)(b) | -43,988 | -44,713 | -724 |

(a) Consistent with ABS GFS classification, other employee related expenses are reported under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

(b) The term fiscal balance is not used by the ABS.

Table 17: Australian Government total non-financial public sector balance sheet

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Assets | | | |
| Financial assets | | | |
| Cash and deposits | 4,846 | 5,198 | 352 |
| Advances paid | 45,555 | 45,481 | -74 |
| Investments, loans and placements | 131,263 | 137,176 | 5,913 |
| Other receivables | 46,360 | 47,234 | 874 |
| Equity investments | 69,487 | 68,756 | -731 |
| <i>Total financial assets</i> | <i>297,512</i> | <i>303,846</i> | <i>6,334</i> |
| Non-financial assets | | | |
| Land and other fixed assets | 130,319 | 133,414 | 3,094 |
| Other non-financial assets | 10,864 | 7,345 | -3,519 |
| <i>Total non-financial assets</i> | <i>141,184</i> | <i>140,759</i> | <i>-425</i> |
| Total assets | 438,696 | 444,605 | 5,909 |
| Liabilities | | | |
| Interest bearing liabilities | | | |
| Deposits held | 211 | 218 | 7 |
| Advances received | 0 | 0 | 0 |
| Government securities | 418,307 | 409,936 | -8,370 |
| Loans | 12,589 | 14,270 | 1,681 |
| Other borrowing | 5,311 | 5,475 | 164 |
| <i>Total interest bearing liabilities</i> | <i>436,417</i> | <i>429,899</i> | <i>-6,518</i> |
| Provisions and payables | | | |
| Superannuation liability | 167,332 | 248,214 | 80,883 |
| Other employee liabilities | 17,493 | 18,640 | 1,147 |
| Other provisions and payables | 49,575 | 49,784 | 208 |
| <i>Total provisions and payables</i> | <i>234,400</i> | <i>316,639</i> | <i>82,239</i> |
| Total liabilities | 670,817 | 746,538 | 75,720 |
| Shares and other contributed capital | 14,588 | 15,159 | 572 |
| Net worth(a) | -232,121 | -301,933 | -69,812 |
| <i>Net financial worth(b)</i> | <i>-373,305</i> | <i>-442,692</i> | <i>-69,387</i> |
| <i>Net debt(c)</i> | <i>254,752</i> | <i>242,043</i> | <i>-12,709</i> |

(a) Under AASB 1049, net worth is calculated as total assets minus total liabilities. Under ABS GFS, net worth is calculated as total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

(b) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under ABS GFS, net financial worth equals total financial assets minus total liabilities, minus shares and other contributed capital. The AASB 1049 method is used in this table.

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

Table 18: Australian Government total non-financial public sector cash flow statement^(a)

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Cash receipts from operating activities | | | |
| Taxes received | 351,409 | 351,700 | 292 |
| Receipts from sales of goods and services | 17,913 | 17,222 | -691 |
| Interest receipts | 3,151 | 3,082 | -69 |
| Dividends and income tax equivalents | 4,021 | 4,649 | 628 |
| Other receipts | 7,190 | 7,610 | 419 |
| Total operating receipts | 383,684 | 384,263 | 578 |
| Cash payments for operating activities | | | |
| Payments to employees | -30,571 | -30,443 | 128 |
| Payments for goods and services | -85,362 | -84,072 | 1,289 |
| Grants and subsidies paid | -146,048 | -144,490 | 1,558 |
| Interest paid | -14,085 | -13,963 | 123 |
| Personal benefit payments | -131,520 | -130,891 | 629 |
| Other payments | -5,251 | -5,289 | -38 |
| Total operating payments | -412,836 | -409,147 | 3,689 |
| Net cash flows from operating activities | -29,152 | -24,885 | 4,268 |
| Cash flows from investments in non-financial assets | | | |
| Sales of non-financial assets | 2,293 | 2,380 | 87 |
| Purchases of non-financial assets | -15,646 | -15,082 | 564 |
| Net cash flows from investments in non-financial assets | -13,353 | -12,701 | 652 |
| Net cash flows from investments in financial assets for policy purposes | -362 | -341 | 21 |
| Cash flows from investments in financial assets for liquidity purposes | | | |
| Increase in investments | -8,949 | -12,003 | -3,054 |
| Net cash flows from investments in financial assets for liquidity purposes | -8,949 | -12,003 | -3,054 |
| Net cash flows from financing activities | | | |
| Borrowing (net) | 53,609 | 52,486 | -1,123 |
| Other financing (net) | -2,171 | -2,583 | -412 |
| Net cash flows from financing activities | 51,439 | 49,903 | -1,535 |
| Net increase/(decrease) in cash held | -378 | -27 | 352 |
| Cash at the beginning of the year | 5,225 | 5,225 | 0 |
| Cash at the end of the year | 4,846 | 5,198 | 352 |
| Net cash from operating activities and investments in non-financial assets | -42,505 | -37,586 | 4,919 |
| Distributions paid | 0 | 0 | 0 |
| Equals surplus(+)/deficit(-) | -42,505 | -37,586 | 4,919 |
| Finance leases and similar arrangements(b) | 0 | -481 | -481 |
| GFS cash surplus(+)/deficit(-) | -42,505 | -38,067 | 4,439 |

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

(b) The acquisition of assets under finance leases decreases the surplus or increases the deficit. The disposal of assets previously held under finance leases increases the surplus or decreases the deficit.

Table 19: Australian Government public financial corporations sector operating statement

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Revenue | | | |
| Current grants and subsidies | 150 | 159 | 9 |
| Sales of goods and services | 3,233 | 3,257 | 24 |
| Interest income | 2,290 | 2,272 | -18 |
| Other | 99 | 88 | -10 |
| Total revenue | 5,772 | 5,776 | 4 |
| Expenses | | | |
| Gross operating expenses | | | |
| Wages and salaries(a) | 269 | 286 | 18 |
| Superannuation | 67 | 66 | -1 |
| Depreciation and amortisation | 44 | 57 | 12 |
| Supply of goods and services(b) | 2,818 | 2,776 | -43 |
| Other operating expenses(a)(b) | 425 | 248 | -176 |
| <i>Total gross operating expenses</i> | <i>3,623</i> | <i>3,433</i> | <i>-190</i> |
| Interest expenses | 1,331 | 1,313 | -18 |
| Other property expenses | 1,478 | 2,198 | 720 |
| Current transfers | | | |
| Tax expenses | 47 | 41 | -7 |
| <i>Total current transfers</i> | <i>47</i> | <i>41</i> | <i>-7</i> |
| Total expenses | 6,479 | 6,984 | 505 |
| Net operating balance | -707 | -1,208 | -501 |
| Other economic flows | 3,983 | 5,435 | 1,452 |
| Comprehensive result - Total change in net worth excluding contribution from owners | 3,276 | 4,227 | 951 |
| Net acquisition of non-financial assets | | | |
| Purchases of non-financial assets | 11 | 53 | 43 |
| <i>less</i> Sales of non-financial assets | <i>80</i> | <i>0</i> | <i>-80</i> |
| <i>less</i> Depreciation | <i>44</i> | <i>57</i> | <i>12</i> |
| <i>plus</i> Change in inventories | <i>-11</i> | <i>-2</i> | <i>9</i> |
| <i>plus</i> Other movements in non-financial assets | <i>-2</i> | <i>-11</i> | <i>-9</i> |
| Total net acquisition of non-financial assets | -127 | -17 | 111 |
| Fiscal balance (Net lending/borrowing)(c) | -579 | -1,192 | -612 |

(a) Consistent with ABS GFS classification and PNFC presentation, from 2015-16 Budget, other employee related expenses, such as employee entitlements, are reclassified from wages and salaries to other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

(b) Consistent with ABS GFS classification and PNFC presentation, from 2015-16 Budget, supply of goods and services has been separated from other operating expenses.

(c) The term fiscal balance is not used by the ABS.

Table 20: Australian Government public financial corporations sector balance sheet

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Assets | | | |
| Financial assets | | | |
| Cash and deposits | 369 | 480 | 111 |
| Investments, loans and placements | 160,736 | 160,350 | -386 |
| Other receivables | 324 | 255 | -70 |
| Equity investments | 376 | 401 | 25 |
| <i>Total financial assets</i> | <i>161,805</i> | <i>161,485</i> | <i>-320</i> |
| Non-financial assets | | | |
| Land and other fixed assets | 615 | 651 | 36 |
| Other non-financial assets(a) | 41 | 32 | -9 |
| <i>Total non-financial assets</i> | <i>656</i> | <i>683</i> | <i>27</i> |
| Total assets | 162,461 | 162,168 | -293 |
| Liabilities | | | |
| Interest bearing liabilities | | | |
| Deposits held | 121,805 | 125,968 | 4,163 |
| Borrowing | 12,821 | 6,968 | -5,853 |
| <i>Total interest bearing liabilities</i> | <i>134,626</i> | <i>132,936</i> | <i>-1,690</i> |
| Provisions and payables | | | |
| Superannuation liability | 197 | 64 | -133 |
| Other employee liabilities | 1,547 | 1,379 | -168 |
| Other provisions and payables(a) | 1,978 | 2,726 | 748 |
| <i>Total provisions and payables</i> | <i>3,722</i> | <i>4,169</i> | <i>447</i> |
| Total liabilities | 138,348 | 137,105 | -1,243 |
| Shares and other contributed capital | 24,113 | 25,064 | 951 |
| Net worth(b) | 24,113 | 25,064 | 951 |
| <i>Net financial worth(c)</i> | <i>23,457</i> | <i>24,381</i> | <i>924</i> |
| <i>Net debt(d)</i> | <i>-26,479</i> | <i>-27,894</i> | <i>-1,415</i> |

(a) Excludes the impact of commercial taxation adjustments.

(b) Under AASB 1049, net worth is calculated as total assets minus total liabilities. Under ABS GFS, net worth is calculated as total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

(c) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under ABS GFS, net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

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

Table 21: Australian Government public financial corporations sector cash flow statement^(a)

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Cash receipts from operating activities | | | |
| Receipts from sales of goods and services | 2,939 | 3,104 | 164 |
| Grants and subsidies received | 0 | 159 | 159 |
| GST input credit receipts | 15 | 18 | 3 |
| Interest receipts | 1,719 | 2,327 | 608 |
| Other receipts | 410 | 109 | -301 |
| Total operating receipts | 5,083 | 5,717 | 633 |
| Cash payments for operating activities | | | |
| Payments to employees | -513 | -408 | 105 |
| Payment for goods and services | -2,714 | -2,766 | -51 |
| Interest paid | -1,021 | -1,366 | -345 |
| GST payments to taxation authority | 0 | 0 | 0 |
| Other payments(b) | -40 | -201 | -161 |
| Total operating payments | -4,289 | -4,741 | -452 |
| Net cash flows from operating activities | 794 | 976 | 182 |
| Cash flows from investments in non-financial assets | | | |
| Sales of non-financial assets | 80 | 0 | -80 |
| Purchases of non-financial assets | -18 | -53 | -34 |
| Net cash flows from investments in non-financial assets | 62 | -52 | -114 |
| Net cash flows from investments in financial assets for policy purposes | 0 | -63 | -63 |
| Cash flows from investments in financial assets for liquidity purposes | | | |
| Increase in investments(b) | -7,592 | -12,315 | -4,724 |
| Net cash flows from investments in financial assets for liquidity purposes | -7,592 | -12,315 | -4,724 |
| Net cash flows from financing activities | | | |
| Advances received (net) | 0 | 0 | 0 |
| Borrowing (net) | 2,438 | 6,381 | 3,943 |
| Deposits received (net) | 0 | 0 | 0 |
| Other financing (net) | 4,569 | 5,456 | 888 |
| Distributions paid (net) | -932 | -932 | 0 |
| Net cash flows from financing activities | 6,075 | 10,905 | 4,830 |
| Net increase/(decrease) in cash held | -661 | -550 | 111 |
| Cash at the beginning of the year | 1,030 | 1,030 | 0 |
| Cash at the end of the year | 369 | 480 | 111 |

Table 21: Australian Government public financial corporations sector cash flow statement (continued)^(a)

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Net cash from operating activities and investments in non-financial assets | 856 | 923 | 68 |
| Distributions paid | -932 | -932 | 0 |
| Equals surplus(+)/deficit(-) | -76 | -9 | 68 |
| Finance leases and similar arrangements(c) | 0 | 0 | 0 |
| GFS cash surplus(+)/deficit(-) | -76 | -9 | 68 |

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

(b) In accordance with AASB1049, the estimate for other payments has been reclassified from operating to investing to provide consistency in treatment of transactions in investments with the actual outcome and with the other sectors.

(c) The acquisition of assets under finance leases decreases the surplus or increases the deficit. The disposal of assets previously held under finance leases increases the surplus or decreases the deficit.

Notes to the general government sector financial statements

Note 1: External reporting standards and accounting policies

The *Charter of Budget Honesty Act 1998* (the Charter) requires that the final budget outcome be based on external reporting standards and that departures from applicable external reporting standards be identified.

The external standards used for final budget outcome reporting purposes are:

- the Australian Bureau of Statistics' (ABS) accrual Government Finance Statistics (GFS) publication, *Australian System of Government Finance Statistics: Concepts, Sources and Methods 2005*, (cat. no. 5514.0), which in turn is based on the International Monetary Fund (IMF) accrual GFS framework; and
- the Australian Accounting Standards (AAS), issued by the Australian Accounting Standards Board (AASB), which includes International Financial Reporting Standards (IFRS) as adopted in Australia and the public sector specific standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

The financial statements have been prepared on an accrual basis that complies with both ABS GFS and AAS, except for departures disclosed at Note 2. A more detailed description of the AAS and ABS GFS frameworks, in addition to definitions of key terms used in these frameworks, can be found in Attachment A. Detailed accounting policies, as well as a set of notes and other disclosures, as required by AAS, are disclosed in the annual Consolidated Financial Statements.

Fiscal reporting focuses on the general government sector (GGS). The GGS 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, user charging and external funding. This sector comprises all government departments, offices and some other bodies. In preparing financial statements for the GGS, all material transactions and balances between entities within the GGS have been eliminated. The statements for the GGS are based on audit cleared financial statements for material agencies.

The Government's key fiscal aggregates are based on ABS GFS concepts and definitions, including the ABS GFS cash surplus/deficit and the derivation of the underlying cash balance and net financial worth. AASB 1049 requires the disclosure of other ABS GFS fiscal aggregates, including net operating balance, net lending/borrowing (fiscal balance) and net worth. In addition to these ABS GFS aggregates, the Uniform Presentation Framework (UPF) requires disclosure of net debt, net financial worth and net financial liabilities.

AASB 1049 and the UPF also provide a basis for reporting of the public non-financial corporations (PNFC) and public financial corporations (PFC) sectors and the total non-financial public sector (NFPS).

AASB 1049 requires disaggregated information, by ABS GFS function, for expenses and total assets to be disclosed where they are reliably attributable. ABS GFS does not require total assets to be attributed to functions. In accordance with ABS GFS, disaggregated information for expenses and net acquisition of non-financial assets by function is disclosed in Part 1. In accordance with the UPF, purchases of non-financial assets by function are also disclosed in Part 1.

AASB 1049 also requires the Final Budget Outcome (FBO) and Consolidated Financial Statements (CFS) to be released at the same time. The Charter requires the FBO to be released before the end of three months after the end of the financial year, whereas the CFS is not released until it is audit cleared, generally around November each year.

AASB 1055 requires major variances between original budget estimates and outcomes to be explained in the financial statements. Explanations of major variances in fiscal balance, revenue, expenses, net capital investment, cash flows, net debt, net financial worth and net worth for the 2014-15 year from the 2014-15 Budget to the 2014-15 Mid-Year Economic and Fiscal Outlook (MYEFO) are discussed in Part 3 of the 2014-15 MYEFO. Explanations of variances for the 2014-15 year from MYEFO to the 2015-16 Budget are disclosed in Statement 3 of 2015-16 Budget Paper No. 1, Budget Strategy and Outlook. Explanations of variances from the 2015-16 Budget to the Final Budget Outcome 2014-15 are disclosed in Part 1.

Note 2: Departures from external reporting standards

The Charter requires that departures from applicable external reporting standards be identified. The major differences between AAS and the ABS GFS treatments of transactions are outlined in Table 22.

AASB 1049 requires AAS measurement of items to be disclosed on the face of the financial statements with reconciliation to ABS GFS measurement of key fiscal aggregates, where different, in notes to the financial statements. Differences from the AAS measurement of items outline above and reconciliation have not been included as they would effectively create different measures of the same aggregate.

Further information on the differences between the two systems is provided in the ABS publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2005* (cat. no. 5514.0).

Table 22: Major differences between AAS and ABS GFS

| Issue | AAS treatment | ABS GFS treatment | Treatment adopted |
|--|---|--|-------------------|
| Acquisition of defence weapons platforms (DWP) | AASB 1049 requires cost to be used where fair value of assets cannot be reliably measured. | ABS record DWP on a market value basis using the perpetual inventory method. | AAS |
| Circulating coins — seigniorage | The profit between the cost and sale of circulating coins (seigniorage) is treated as revenue. | Circulating coins are treated as a liability, and the cost of producing the coins is treated as an expense. | AAS |
| Provisions for bad and doubtful debts | Reported in the balance sheet as an offset to assets. Under AASB 1049, it is included in the operating statement as other economic flows. | Creating provisions for bad and doubtful debts is not considered an economic event and therefore not considered to be an expense or reflected in the balance sheet. | AAS |
| Advances to the International Development Association and Asian Development Fund | Recorded at fair value in the balance sheet. | Recorded at nominal value in balance sheet. | ABS GFS |
| Concessional loans | Discounts concessional loans by a market rate of a similar instrument. | Does not discount concessional loans as no secondary market is considered to exist. | AAS |
| Investment in other public sector entities | Valued at fair value in the balance sheet as long as it can be reliably measured, otherwise net assets is permissible. | Unlisted entities valued based on their net assets in the balance sheet. | AAS |
| Provision for restoration, decommissioning and makegood | Included in the fiscal balance capital adjustment. | Excluded from the calculation of net lending capital adjustment. | AAS |
| Renewable Energy Certificates (RECs) | The issuance and registration of RECs is considered to be an administrative function and does not result in the recognition of assets or liabilities and, consequently, no revenues or expenses are recognised. | The issuance and registration of RECs is considered to be government financial transactions resulting in the recognition of assets, liabilities, revenue and expenses. | AAS |
| Dividends paid by public corporations | Treated as an equity distribution. Equity distributions are treated as a distribution of profits, as opposed to an expense. | Dividends are treated as an expense. | ABS GFS |

Table 22: Major differences between AAS and ABS GFS (continued)

| Issue | AAS treatment | ABS GFS treatment | Treatment adopted |
|---|---|---|--------------------|
| Commercial tax effect accounting assets and liabilities | Corporations in the PNFC and PFC sectors record tax expenses on a commercial basis. | Deferred tax assets and liabilities are reversed so that corporations record tax expenses on a consistent basis to the Australian Taxation Office. | ABS GFS |
| Fiscal aggregates differences | | | |
| Finance leases | Does not deduct finance leases in the derivation of the cash surplus/deficit. | Deducts finance leases in the derivation of the cash surplus/deficit. | Both are disclosed |
| Net worth of PNFC and PFC sectors | Calculated as assets less liabilities. | Calculated as assets less liabilities less shares and other contributed capital. | AAS |
| Net financial worth of PNFC and PFC | Calculated as financial assets less total liabilities. | Calculated as financial assets less total liabilities less shares and contributed capital. | AAS |
| Classification difference | | | |
| Prepayments | Treated as a non-financial asset. | Treated as a financial asset. | ABS GFS |
| Spectrum sales | Recognise non-financial asset sales for fiscal balance when payment is made and the licences take effect, which may be after the auction of licences, as this is regarded as the point control is transferred. Recognise cash at the time of receipt. | Recognise non-financial asset sales for fiscal balance at time of auction as this is regarded as the point control is transferred. Recognise cash at the time of receipt. | AAS |

Note 3: Taxation revenue by type

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Individuals and other withholding taxes | | | |
| Gross income tax withholding | 167,860 | 167,645 | -215 |
| Gross other individuals | 40,600 | 40,565 | -35 |
| less Refunds | 27,300 | 27,033 | -267 |
| Total individuals and other withholding taxation | 181,160 | 181,177 | 17 |
| Fringe benefits tax | 4,480 | 4,393 | -87 |
| Company tax | 69,900 | 66,311 | -3,589 |
| Superannuation fund taxes | 6,200 | 5,890 | -310 |
| Minerals resource rent tax(a) | 60 | 63 | 3 |
| Petroleum resource rent tax | 1,640 | 1,319 | -321 |
| Income taxation revenue | 263,440 | 259,151 | -4,289 |
| Goods and services tax | 56,690 | 56,462 | -228 |
| Wine equalisation tax | 820 | 828 | 8 |
| Luxury car tax | 510 | 540 | 30 |
| Excise and customs duty | | | |
| Petrol | 6,020 | 6,042 | 22 |
| Diesel | 8,830 | 8,918 | 88 |
| Other fuel products | 2,980 | 2,887 | -93 |
| Tobacco | 8,290 | 8,826 | 536 |
| Beer | 2,350 | 2,312 | -38 |
| Spirits | 1,980 | 1,997 | 17 |
| Other alcoholic beverages(b) | 910 | 900 | -10 |
| Other customs duty | | | |
| Textiles, clothing and footwear | 650 | 645 | -5 |
| Passenger motor vehicles | 700 | 732 | 32 |
| Other imports | 1,600 | 1,665 | 65 |
| less Refunds and drawbacks | 420 | 356 | -64 |
| Total excise and customs duty | 33,890 | 34,570 | 680 |
| Agricultural levies | 492 | 509 | 17 |
| Other taxes | 3,275 | 3,295 | 21 |
| Mirror taxes | 509 | 503 | -6 |
| less Transfers to States in relation to mirror tax revenue | 509 | 503 | -6 |
| Mirror tax revenue | 0 | 0 | 0 |
| Indirect taxation revenue | 95,677 | 96,205 | 529 |
| Taxation revenue | 359,117 | 355,357 | -3,759 |
| <i>Memorandum:</i> | | | |
| Total excise | 24,140 | 23,687 | -453 |
| Total customs duty | 9,750 | 10,884 | 1,134 |
| Medicare and DisabilityCare Australia levy (c) | 14,050 | 14,640 | 590 |

(a) The MRRT applied until 30 September 2014.

(b) Other alcoholic beverages are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

(c) From the 2014-15 Budget, Medicare and DisabilityCare Australia levy revenue is based on when collections relating to the levy are received.

Note 3(a): Taxation revenue by source

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Taxes on income, profits and capital gains | | | |
| Income and capital gains levied on individuals | 185,660 | 185,578 | -82 |
| Income and capital gains levied on enterprises | 77,780 | 73,573 | -4,207 |
| Total taxes on income, profits and capital gains | 263,440 | 259,151 | -4,289 |
| Taxes on employers' payroll and labour force | 738 | 735 | -3 |
| Taxes on the provision of goods and services | | | |
| Sales/goods and services tax | 58,020 | 57,830 | -190 |
| Excises and levies | 24,632 | 24,196 | -436 |
| Taxes on international trade | 9,750 | 10,884 | 1,134 |
| Total taxes on the provision of goods and services | 92,402 | 92,910 | 508 |
| Other sale of goods and services | 2,537 | 2,561 | 24 |
| Total taxation revenue | 359,117 | 355,357 | -3,759 |
| <i>Memorandum:</i> | | | |
| <i>Medicare and DisabilityCare Australia levy</i> | <i>14,050</i> | <i>14,640</i> | <i>590</i> |

Note 4: Sales of goods and services revenue

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Sales of goods | 1,620 | 1,547 | -73 |
| Rendering of services | 4,060 | 3,767 | -293 |
| Operating lease rental | 66 | 44 | -22 |
| Fees from regulatory services | 3,531 | 3,700 | 169 |
| Total sales of goods and services revenue | 9,277 | 9,058 | -219 |

Note 5: Interest and dividend revenue

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Interest from other governments | | | |
| State and Territory debt | 18 | 21 | 3 |
| Housing agreements | 134 | 116 | -18 |
| Total interest from other governments | 152 | 138 | -14 |
| Interest from other sources | | | |
| Advances | 46 | 47 | 1 |
| Deposits | 85 | 104 | 19 |
| Bank deposits | 160 | 178 | 18 |
| Indexation of HELP receivable and other student loans | 538 | 567 | 29 |
| Other | 2,671 | 2,112 | -559 |
| Total interest from other sources | 3,501 | 3,009 | -492 |
| Total interest | 3,653 | 3,147 | -506 |
| Dividends | | | |
| Dividends from other public sector entities | 1,581 | 2,324 | 743 |
| Other dividends | 3,215 | 3,854 | 639 |
| Total dividends | 4,796 | 6,178 | 1,382 |
| Total interest and dividend revenue | 8,449 | 9,325 | 876 |

Note 6: Other sources of non-taxation revenue

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Industry contributions | 56 | 90 | 34 |
| Royalties | 1,496 | 1,402 | -94 |
| Seigniorage | 110 | 111 | 1 |
| Other | 5,593 | 5,404 | -190 |
| Total other sources of non-taxation revenue | 7,255 | 7,006 | -249 |

Note 7: Employee and superannuation expense

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Wages and salaries expenses | 18,939 | 18,357 | -582 |
| Other operating expenses | | | |
| Leave and other entitlements | 2,351 | 2,530 | 179 |
| Separations and redundancies | 255 | 372 | 117 |
| Workers compensation premiums and claims | 783 | 754 | -29 |
| Other | 2,112 | 2,090 | -22 |
| Total other operating expenses | 5,502 | 5,746 | 244 |
| Superannuation expenses | | | |
| Superannuation | 6,803 | 6,927 | 124 |
| Superannuation interest cost | 8,989 | 8,999 | 10 |
| Total superannuation expenses | 15,792 | 15,927 | 134 |
| Total employee and superannuation expense | 40,233 | 40,029 | -204 |

Note 8: Depreciation and amortisation expense

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Depreciation | | | |
| Specialist military equipment | 3,053 | 2,872 | -181 |
| Buildings | 1,365 | 1,462 | 97 |
| Other infrastructure, plant and equipment | 1,433 | 1,450 | 17 |
| Heritage and cultural assets | 38 | 73 | 36 |
| Total depreciation | 5,889 | 5,858 | -32 |
| Total amortisation | 915 | 947 | 33 |
| Total depreciation and amortisation expense | 6,804 | 6,805 | 1 |

Note 9: Supply of goods and services expense

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Supply of goods and services | 25,852 | 25,348 | -504 |
| Operating lease rental expenses | 2,494 | 2,555 | 61 |
| Personal benefits - indirect | 44,666 | 44,028 | -638 |
| Health care payments | 5,307 | 5,080 | -227 |
| Other | 2,155 | 2,443 | 287 |
| Total payment for supply of goods and services | 80,474 | 79,454 | -1,020 |

Note 10: Interest expense

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|-------------------------------|--|---------------------------|---------------------------------------|
| Interest on debt | | | |
| Government securities | 14,450 | 14,473 | 23 |
| Loans | 9 | 10 | 1 |
| Other | 368 | 260 | -108 |
| Total interest on debt | 14,827 | 14,743 | -84 |
| Other financing costs | 1,088 | 1,279 | 191 |
| Total interest expense | 15,915 | 16,022 | 107 |

Note 11: Current and capital grants expense

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|-------------------------------------|--|---------------------------|---------------------------------------|
| Current grants expense | | | |
| State and Territory governments | 95,095 | 96,418 | 1,323 |
| Local governments | 6 | 0 | -6 |
| Private sector(a) | 1,176 | 1,611 | 434 |
| Overseas | 4,622 | 4,622 | 0 |
| Non-profit organisations(a)(b) | 2,480 | 4,967 | 2,487 |
| Multi-jurisdictional sector | 10,076 | 9,985 | -91 |
| Other(b) | 10,981 | 7,033 | -3,948 |
| Total current grants expense | 124,435 | 124,636 | 201 |
| Capital grants expense | | | |
| Mutually agreed write-downs | 2,124 | 1,857 | -268 |
| Other capital grants | | | |
| State and Territory governments | 6,162 | 6,594 | 432 |
| Local governments | 445 | 410 | -35 |
| Private sector | 0 | 0 | 0 |
| Multi-jurisdictional sector | 102 | 101 | -1 |
| Other | 455 | 293 | -162 |
| Total capital grants expense | 9,288 | 9,255 | -34 |
| Total grants expense | 133,723 | 133,891 | 168 |

(a) Includes reallocation of some programs between grants to private sector and grants to non-profit organisations since 2015-16 Budget.

(b) Includes reallocation of some programs between grants to non-profit organisations and grants to other since 2015-16 Budget.

Note 12: Personal benefits expense

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|---|--|---------------------------|---------------------------------------|
| Social welfare - assistance to the aged | 42,416 | 42,353 | -63 |
| Assistance to veterans and dependants | 6,008 | 5,920 | -89 |
| Assistance to people with disabilities | 24,243 | 24,118 | -124 |
| Assistance to families with children | 34,199 | 33,610 | -589 |
| Assistance to the unemployed | 10,810 | 10,728 | -83 |
| Student assistance | 3,570 | 3,539 | -31 |
| Other welfare programmes | 1,155 | 1,139 | -16 |
| Financial and fiscal affairs | 477 | 344 | -133 |
| Vocational and industry training | 140 | 99 | -41 |
| Other | 7,645 | 7,339 | -306 |
| Total personal benefit expense | 130,663 | 129,190 | -1,474 |

Note 13: Advances paid and other receivables

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Advances paid | | | |
| Loans to State and Territory governments | 3,160 | 3,146 | -14 |
| Higher Education Loan Program | 30,220 | 30,445 | 224 |
| Student Financial Supplement Scheme | 553 | 531 | -22 |
| Other | 12,169 | 11,932 | -238 |
| less Provision for doubtful debts | 228 | 235 | 7 |
| Total advances paid | 45,874 | 45,818 | -56 |
| Other receivables | | | |
| Goods and services receivable | 784 | 895 | 111 |
| Recoveries of benefit payments | 3,818 | 4,206 | 388 |
| Taxes receivable | 19,859 | 18,710 | -1,149 |
| Prepayments | 3,063 | 4,364 | 1,301 |
| Other | 18,770 | 20,133 | 1,363 |
| less Provision for doubtful debts | 1,465 | 1,505 | 40 |
| Total other receivables | 44,828 | 46,802 | 1,974 |

Note 14: Investments, loans and placements

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Investments - deposits | 39,805 | 42,556 | 2,751 |
| IMF quota | 5,520 | 5,913 | 394 |
| Other | 85,832 | 87,907 | 2,075 |
| Total investments, loans and placements | 131,157 | 136,377 | 5,220 |

Note 15: Non-financial assets

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Land and buildings | | | |
| Land | 9,287 | 9,940 | 653 |
| Buildings | 26,043 | 25,639 | -405 |
| Total land and buildings | 35,331 | 35,579 | 248 |
| Plant, equipment and infrastructure | | | |
| Specialist military equipment | 43,646 | 42,716 | -930 |
| Other | 13,366 | 13,623 | 257 |
| Total plant, equipment and infrastructure | 57,012 | 56,339 | -673 |
| Inventories | | | |
| Inventories held for sale | 1,447 | 1,380 | -67 |
| Inventories not held for sale | 6,913 | 7,040 | 127 |
| Total inventories | 8,360 | 8,420 | 60 |
| Intangibles | | | |
| Computer software | 3,637 | 3,689 | 52 |
| Other | 2,675 | 2,854 | 179 |
| Total intangibles | 6,312 | 6,543 | 231 |
| Total investment properties | 195 | 187 | -8 |
| Total biological assets | 36 | 44 | 9 |
| Total heritage and cultural assets | 10,843 | 11,332 | 489 |
| Total assets held for sale | 113 | 129 | 16 |
| Total other non-financial assets | 582 | 206 | -376 |
| Total non-financial assets | 118,784 | 118,779 | -5 |

Note 16: Loans

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|------------------------|--|---------------------------|---------------------------------------|
| Promissory notes | 4,250 | 4,825 | 575 |
| Special drawing rights | 5,258 | 5,633 | 375 |
| Other | 838 | 1,819 | 981 |
| Total loans | 10,347 | 12,277 | 1,931 |

Note 17: Employee and superannuation liabilities

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Total superannuation liability(a) | 167,327 | 248,209 | 80,882 |
| Other employee liabilities | | | |
| Leave and other entitlements | 7,389 | 7,263 | -126 |
| Accrued salaries and wages | 718 | 785 | 68 |
| Workers compensation claims | 3,363 | 3,225 | -138 |
| Other | 4,561 | 5,778 | 1,218 |
| Total other employee liabilities | 16,030 | 17,052 | 1,022 |
| Total employee and superannuation liabilities | 183,357 | 265,261 | 81,904 |

(a) For budget reporting purposes, a discount rate applied by actuaries in preparing Long-Term Cost Reports is used to value the superannuation liability. This reduces the volatility in reported liabilities that would occur from year to year if the long-term government bond rate were used. Consistent with AAS, the long-term government bond rate as at 30 June is used to calculate the superannuation liability for the purpose of actuals reporting.

Note 18: Provisions and payables

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Suppliers payable | | | |
| Trade creditors | 4,003 | 3,525 | -479 |
| Operating lease rental payable | 293 | 325 | 33 |
| Other creditors | 660 | 630 | -30 |
| Total suppliers payable | 4,956 | 4,480 | -476 |
| Total personal benefits provisions and payables | 13,261 | 14,095 | 834 |
| Total subsidies provisions and payables | 4,585 | 4,494 | -91 |
| Grants provisions and payables | | | |
| State and Territory governments | 107 | 630 | 523 |
| Non-profit organisations | 62 | 180 | 118 |
| Private sector | 237 | 33 | -204 |
| Overseas | 1,424 | 1,483 | 59 |
| Local governments | 2 | 3 | 1 |
| Other | 8,494 | 9,368 | 874 |
| Total grants provisions and payables | 10,325 | 11,696 | 1,371 |
| Other provisions and payables | | | |
| Provisions for tax refunds | 2,174 | 2,117 | -57 |
| Other | 10,912 | 10,564 | -348 |
| Total other provisions and payables | 13,086 | 12,681 | -405 |

Note 19: Reconciliation of cash

| | 2014-15 Estimate at 2015-16 Budget \$m | 2014-15 Outcome \$m | Change on 2015-16 Budget \$m |
|--|--|---------------------------|---------------------------------------|
| Operating balance (revenues less expenses) | -36,237 | -37,151 | -914 |
| <i>less</i> Revenues not providing cash | | | |
| Other | 1,585 | 745 | -841 |
| Total revenues not providing cash | 1,585 | 745 | -841 |
| <i>plus</i> Expenses not requiring cash | | | |
| Increase/(decrease) in employee entitlements | 8,826 | 8,382 | -444 |
| Depreciation/amortisation expense | 6,804 | 6,805 | 1 |
| Mutually agreed write-downs | 2,124 | 1,857 | -268 |
| Other | 1,264 | 1,949 | 684 |
| Total expenses not requiring cash | 19,018 | 18,992 | -26 |
| <i>plus</i> Cash provided / (used) by working capital items | | | |
| Decrease / (increase) in inventories | -272 | -472 | -199 |
| Decrease / (increase) in receivables | -5,611 | -5,267 | 344 |
| Decrease / (increase) in other financial assets | 1,828 | 1,322 | -505 |
| Decrease / (increase) in other non-financial assets | -119 | -1,391 | -1,272 |
| Increase / (decrease) in benefits, subsidies and grants payable | -3,463 | 502 | 3,965 |
| Increase / (decrease) in suppliers' liabilities | 670 | 2,284 | 1,614 |
| Increase / (decrease) in other provisions and payables | -2,348 | -2,807 | -459 |
| Net cash provided / (used) by working capital | -9,315 | -5,827 | 3,487 |
| <i>equals</i> (Net cash from/(to) operating activities) | -28,119 | -24,731 | 3,388 |
| <i>plus</i> (Net cash from/(to) investing activities) | -24,093 | -26,090 | -1,997 |
| Net cash from operating activities and investment | -52,213 | -50,822 | 1,391 |
| <i>plus</i> (Net cash from/(to) financing activities) | 51,512 | 50,133 | -1,379 |
| equals Net increase/(decrease) in cash | -701 | -689 | 12 |
| Cash at the beginning of the year | 3,844 | 3,844 | 0 |
| Net increase/(decrease) in cash | -701 | -689 | 12 |
| Cash at the end of the year | 3,144 | 3,156 | 12 |

Attachment A

FINANCIAL REPORTING STANDARDS AND BUDGET CONCEPTS

The *Final Budget Outcome* primarily focuses on the financial performance and position of the general government sector (GGS). The ABS defines the GGS as providing public services which are mainly non-market in nature, mainly for the collective consumption of the community, involving the transfer or redistribution of income and financed mainly through taxes and other compulsory levies. AASB 1049 recognises the GGS as a reporting entity.

AASB 1049 History and conceptual framework

The Australian Accounting Standards Board (AASB) released AASB 1049 for application from the 2008-09 financial year. AASB 1049 seeks to 'harmonise' ABS GFS and AAS.

The reporting framework for AASB 1049 requires the preparation of accrual-based general purpose financial reports, showing government assets, liabilities, revenue, expenses and cash flows. GGS reporting under AASB 1049 aims to provide users with information about the stewardship of each government in relation to its GGS and accountability for the resources entrusted to it; information about the financial position, performance and cash flows of each government's GGS; and information that facilitates assessments of the macroeconomic impact. While AASB 1049 provides a basis for whole-of-government (including the PNFC and PFC sectors) and GGS outcome reporting, budget reporting and budget outcome reporting focuses on the GGS.

AASB 1049 has adopted the AAS conceptual framework and principles for the recognition of assets, liabilities, revenues and expenses and their presentation, measurement and disclosure. In addition, AASB 1049 has broadly adopted the ABS GFS conceptual framework for presenting government financial statements. In particular, AASB 1049 requires the GGS to prepare a separate set of financial statements, overriding AASB 10 *Consolidated Financial Statements*. AASB 1049 also follows ABS GFS by requiring changes in net worth to be split into either transactions or 'other economic flows' and for this to be presented in a single operating statement. AASB 1049 is therefore broadly consistent with international statistical standards and the International Monetary Fund's (IMF) *Government Finance Statistics Manual 2014*.¹

1 Additional information on the Australian accrual GFS framework is available in the ABS publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2005* (cat. no. 5514.0).

All financial data presented in the financial statements are recorded as either stocks (assets and liabilities) or flows (classified as either transactions or other economic flows). Transactions result from a mutually agreed interaction between economic entities. Despite their compulsory nature, taxes are transactions deemed to occur by mutual agreement between the government and the taxpayer. Transactions that increase or decrease net worth (assets less liabilities) are reported as revenues and expenses respectively in the operating statement.²

A change to the value or volume of an asset or liability that does not result from a transaction is an 'other economic flow'. This can include changes in values from market prices, most actuarial valuations and exchange rates, and changes in volumes from discoveries, depletion and destruction. All 'other economic flows' are reported in the operating statement.

Consistent with the ABS GFS framework, and in general AAS, the financial statements record flows in the period in which they occur. As a result, prior period outcomes may be revised for classification changes relating to information that could reasonably have been expected to be known in the past, is material in at least one of the affected periods and can be reliably assigned to the relevant period(s).

Operating statement

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

Revenues arise from transactions that increase net worth and expenses arise from transactions that decrease net worth. Revenues less expenses gives the net operating balance. The net operating balance is similar to the National Accounts concept of government saving plus capital transfers.

The net acquisition of non-financial assets (net capital investment) equals gross fixed capital formation, less depreciation, plus changes (investment) in inventories, plus other transactions in non-financial assets. This measures the net effect of purchases, sales and consumption (for example, depreciation of fixed assets and use of inventory) of non-financial assets during an accounting period.

Other economic flows are presented in the operating statement and outline changes in net worth that are driven by economic flows other than revenues and expenses. Revenues, expenses and other economic flows sum to the total change in net worth during a period. The majority of other economic flows for the Australian Government GGS arise from price movements in its assets and liabilities.

2 Not all transactions impact on net worth. For example, transactions in financial assets and liabilities do not impact on net worth as they represent the swapping of assets and liabilities on the balance sheet.

Fiscal balance

The fiscal balance (or net lending/borrowing) is the net operating balance less net capital investment. Thus, the fiscal balance includes the impact of net expenditure (effectively purchases less sales) on non-financial assets rather than consumption (depreciation) of non-financial assets.³

The fiscal balance measures the Australian Government's investment-saving balance. It measures in accrual terms the gap between government savings plus net capital transfers, and investment in non-financial assets. As such, it approximates the contribution of the Australian Government GGS to the balance on the current account in the balance of payments.

Balance sheet

The balance sheet shows stocks of assets, liabilities and net worth. In accordance with the UPF, net debt, net financial worth and net financial liabilities are also reported in the balance sheet.

Net worth

The net worth of the GGS, PNFC and PFC sectors is defined as assets less liabilities. This differs from the ABS GFS definition for the PNFC and PFC sectors where net worth is defined as assets less liabilities less shares and other contributed capital. Net worth is an economic measure of wealth, reflecting the Australian Government's contribution to the wealth of Australia.

Net financial worth

Net financial worth measures a government's net holdings of financial assets. It is calculated from the balance sheet as financial assets minus liabilities. This differs from the ABS GFS definition of net financial worth for the PNFC and PFC sectors, defined as financial assets, less liabilities, less shares and other contributed capital. Net financial worth is a broader measure than net debt, in that it incorporates provisions made (such as superannuation) as well as holdings of equity. Net financial worth includes all classes of financial assets and all liabilities, only some of which are included in net debt. As non-financial assets are excluded from net financial worth, this is a narrower measure than net worth. However, it avoids the concerns inherent with the net worth measure relating to the valuation of non-financial assets and their availability to offset liabilities.

3 The net operating balance includes consumption of non-financial assets because depreciation is an expense. Depreciation also forms part of net capital investment, which (in the calculation of fiscal balance) offsets the inclusion of depreciation in the net operating balance.

Net financial liabilities

Net financial liabilities comprises total liabilities less financial assets but excludes equity investments in the other sectors of the jurisdiction. Net financial liabilities is a more accurate indicator than net debt of a jurisdiction's fiscal position as it includes substantial non-debt liabilities such as accrued superannuation and long service leave entitlements. Excluding the net worth of other sectors of government results in a purer measure of financial worth than net financial worth, as, in general, the net worth of other sectors of government, in particular the PNFC sector, is backed up by physical assets.

Net debt

Net debt is the sum of selected financial liabilities (deposits held, advances received, government securities, loans and other borrowing) less the sum of selected financial assets⁴ (cash and deposits, advances paid, and investments, loans and placements). This includes financial assets held by the Future Fund which are invested in these asset classes, including term deposits and investments in collective investment vehicles. Net debt does not include superannuation related liabilities. Net debt is a common measure of the strength of a government's financial position. High levels of net debt impose a call on future revenue flows to service that debt.

Cash flow statement

The cash flow statement identifies how cash is generated and applied in a single accounting period. The cash flow statement reflects a cash basis of recording (rather than an accrual basis) where information is 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.

Underlying cash balance

The underlying cash balance plus net Future Fund earnings (ABS GFS cash surplus/deficit) is the cash counterpart of the fiscal balance, reflecting the Australian Government's cash investment-saving balance.

4 Financial assets are defined as cash, an equity instrument of another entity, a contractual right to receive cash or financial asset, and a contract that will or may be settled in the entity's own equity instruments.

For the GGS, the underlying cash balance is calculated as shown below:

| |
|--|
| Net cash flows from operating activities |
| <i>plus</i> |
| Net cash flows from investments in non-financial assets |
| <i>less</i> |
| Net acquisitions of assets acquired under finance leases and similar arrangements ⁵ |
| <i>equals</i> |
| ABS GFS cash surplus/deficit |
| <i>less</i> |
| Net Future Fund earnings |
| <i>equals</i> |
| Underlying cash balance |

The Government has excluded net Future Fund earnings from the calculations of the underlying cash balance. Prior to the 2012-13 MYEFO, the underlying cash balance only excluded the gross earnings of the Future Fund. Under the *Future Fund Act 2006*, earnings are required to be reinvested to meet the Government's future public sector superannuation liabilities. The Future Fund becomes available to meet the Government's superannuation liabilities from 2020.

In contrast, net Future Fund earnings are included in the fiscal balance because superannuation expenses relating to future cash payments are recorded in the fiscal balance.

Net Future Fund earnings are separately identified in the Australian Government GGS cash flow statement in Table 12 of this statement and the historical tables in Appendix B.

Headline cash balance

The headline cash balance is calculated by adding net cash flows from investments in financial assets for policy purposes and Future Fund earnings to the underlying cash balance.

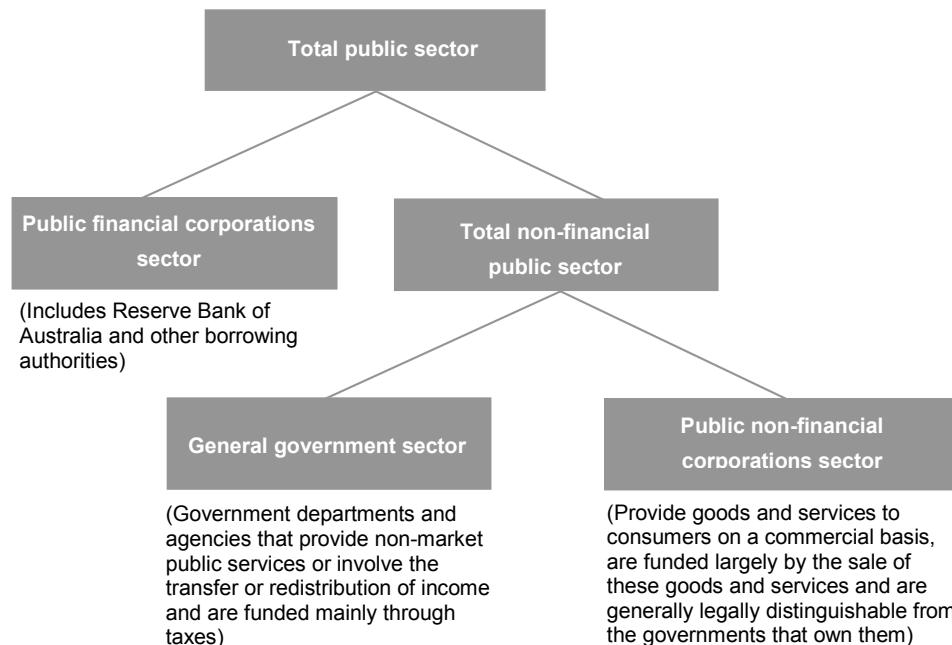
5 The underlying cash balance treats the acquisition and disposal of non-financial assets in the same manner regardless of whether they occur by purchase/sale or finance lease – acquisitions reduce the underlying cash balance and disposals increase the underlying cash balance. However, finance leases do not generate cash flows at the time of acquisition or disposal equivalent to the value of the asset. As such, net acquisitions of assets under finance leases are not shown in the body of the cash flow statement but are reported as a supplementary item for the calculation of the underlying cash balance.

Cash flows from investments in financial assets for policy purposes include equity transactions and net advances.⁶ Equity transactions include equity injections into controlled businesses and privatisations of government businesses. Net advances include net loans to the states, net loans to students under the Higher Education Loan Program (HELP), and contributions to international organisations that increase the Australian Government’s financial assets.

Sectoral classifications

To assist in analysing the public sector, data is presented by institutional sector as shown in Figure 1. ABS GFS defines the general government sector (GGS) and the public non-financial corporations (PNFC) and public financial corporations (PFC) sectors. AASB 1049 has also adopted this sectoral reporting.

Figure 1: Institutional structure of the public sector



All entities are classified as GGS entities except for the following list of portfolio entities that are classified as PFC or PNFC (Table 23).

A table which provides a full list of public sector principal entities is available on the Department of Finance website at www.finance.gov.au/sites/default/files/list-ggs-pnfc-pfc-pgpa.pdf?v=1.

⁶ Cash flows from investments in financial assets for policy purposes are often referred to as net advances.

Table 23: Entities outside of the general government sector

| Public financial corporations |
|---|
| Employment Portfolio Coal Mining Industry (Long Service Leave Funding) Corporation |
| Finance Portfolio Medibank Private Ltd* |
| Foreign Affairs and Trade Portfolio Export Finance and Insurance Corporation |
| Treasury Portfolio Australian Reinsurance Pool Corporation, Reserve Bank of Australia |
| Public non-financial corporations |
| Attorney General's Portfolio Australian Government Solicitor* |
| Communications Portfolio Australian Postal Corporation, NBN Co Ltd |
| Finance Portfolio Albury-Wodonga Development Corporation*, ASC Pty Ltd, Australian River Co. Ltd* |
| Industry and Science Portfolio ANSTO Nuclear Medicine Pty Ltd |
| Infrastructure and Regional Development Portfolio Airservices Australia, Australian Rail Track Corporation Ltd, Moorebank Intermodal Company Ltd |
| Prime Minister and Cabinet Portfolio Voyages Indigenous Tourism Australia Pty Ltd |
| Social Services Portfolio Australian Hearing Services |

*Medibank Private Ltd, Australian Government Solicitor, Albury-Wodonga Development Corporation and Australian River Co. Ltd have ceased operations as separate Commonwealth entities on or by 1 July 2015.

AUSTRALIAN LOAN COUNCIL ALLOCATION

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

- the estimated non-financial public sector ABS GFS cash surplus/deficit (made up from the balances of the general government and public non-financial corporations sectors and total non-financial public sector acquisitions under finance leases and similar arrangements);
- net cash flows from investments in financial assets for policy purposes; and
- memorandum items, which involve transactions that are not formally borrowings but nevertheless have many of the characteristics of borrowings.

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

As set out in Table 24, the Commonwealth's 2014-15 LCA final budget outcome is a \$43.2 billion deficit. This compares with the Australian Government's 2014-15 LCA Budget estimate of a \$37.4 billion deficit.

A tolerance limit of 2 per cent of non-financial public sector receipts applies between the LCA Budget estimate and the outcome. Tolerance limits recognise that LCAs are nominated at an early stage of the Budget process and may change as a result of policy and parameter changes. The Australian Government's 2014-15 LCA final budget outcome does not exceed the 2 per cent tolerance limit.

Table 24: Australian Government Loan Council Allocation

| | 2014-15 Budget Estimate | 2014-15 Outcome |
|--|----------------------------|--------------------|
| | \$m | \$m |
| GGs cash surplus(-)/deficit(+) | 26,705 | 33,706 |
| PNFC sector cash surplus(-)/deficit(+) | 5,162 | 3,880 |
| NFPS cash surplus(-)/deficit(+)(a) | 31,867 | 37,586 |
| <i>plus</i> Acquisitions under finance leases and similar arrangements | 0 | 481 |
| <i>equals</i> ABS GFS cash surplus(-)/deficit(+) | 31,867 | 38,067 |
| <i>minus</i> Net cash flows from investments | | |
| in financial assets for policy purposes(b) | -6,819 | -5,158 |
| <i>plus</i> Memorandum items(c) | -1,239 | -47 |
| Loan Council Allocation | 37,447 | 43,178 |

(a) May not directly equate to the sum of the GGS and the PNFC sector due to intersectoral transfers which are netted out.

(b) Net cash flows from investments in financial assets for policy purposes are displayed with the same sign as they are reported in cash flow statements. Such transactions involve the transfer or exchange of a financial asset and are not included within the cash surplus/deficit. However, the cash flow from investments in financial assets for policy purposes has implications for a government's call on financial markets.

(c) For the Commonwealth's LCA outcome, memorandum items include the change in net present value (NPV) of operating leases (with NPV greater than \$5 million), the over-funding of superannuation and the net financing requirement of the Australian National University.

PART 3: AUSTRALIA'S FEDERAL RELATIONS

This part provides information on payments for specific purposes and general revenue assistance, including the GST entitlement, provided to the states and territories (the states).

Commonwealth payments to the states are framed by the *Intergovernmental Agreement on Federal Financial Relations* (the Intergovernmental Agreement), which has been in place since 1 January 2009.

More detailed information on Australia's Federal Relations is provided in Budget Paper No. 3, *Federal Financial Relations 2015-16*, and on the Federal Financial Relations website at: www.federalfinancialrelations.gov.au.

OVERVIEW OF PAYMENTS TO THE STATES

The states receive substantial financial support from the Commonwealth. In 2014-15, the Commonwealth provided the states with payments totalling \$103.4 billion, comprising specific purpose payments of \$48.0 billion and general revenue assistance (including GST entitlements) of \$55.4 billion, as shown in Table 25. Total payments to the states as a proportion of total Commonwealth expenditure was 24.7 per cent in 2014-15.

Table 25: Commonwealth payments to the states, 2014-15

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|-------------------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|----------------|
| Payments for specific purposes | 14,705 | 11,167 | 10,082 | 5,906 | 3,158 | 1,046 | 815 | 1,117 | 47,997 |
| General revenue assistance | 17,065 | 12,013 | 11,824 | 3,216 | 5,027 | 1,944 | 1,143 | 3,193 | 55,425 |
| Total payments to the states | 31,770 | 23,181 | 21,907 | 9,122 | 8,185 | 2,990 | 1,959 | 4,310 | 103,423 |

PAYMENTS FOR SPECIFIC PURPOSES

In 2014-15, the Commonwealth provided payments to the states for specific purposes in areas administered by the states. These payments cover most functional areas of state and local government activity including health, education, skills and workforce development, community services, housing, Indigenous affairs, infrastructure and the environment.

The Commonwealth provided the following types of specific purpose payments to the states:

- National Specific Purpose Payments (National SPPs) in respect of key service delivery sectors;
- National Health Reform funding;
- Students First funding; and
- National Partnership payments.

National SPPs, National Health Reform and Students First funding

In 2014-15, the Commonwealth continued to provide funding for key service delivery sectors through National SPPs, as well as National Health Reform funding and Students First funding. The National SPPs are as follows:

- the National Skills and Workforce Development SPP;
- the National Disability SPP; and
- the National Affordable Housing SPP.

The states are required to spend each National SPP in the relevant sector.

The National SPPs are indexed each year by growth factors specified in the Intergovernmental Agreement.

Payments made throughout the year for National SPPs and Students First were made in advance, based on Commonwealth estimates of the respective growth factors. A balancing adjustment is made after the end of the financial year (or calendar year, for Students First) once final growth factor data become available.

The National SPPs are distributed among the states in accordance with population shares based on the Australian Statistician's determination as at 31 December of that year. An equal per capita distribution was phased in over five years from 2009-10.

Students First funding includes recurrent and capital funding for government and non-government schools, funding for non-government representative bodies, and other prescribed purpose funding. Students First funding is distributed among the states in accordance with the *Australian Education Act 2013* and relevant agreements made under that Act.

Payments throughout the year for National Health Reform were made in advance, on the basis of advice of the Administrator of the National Health Funding Pool. This funding is calculated by reference to the level of estimated efficient growth in hospital activity in each state. The amounts published are for payments made in respect of 2014-15 services. The Treasurer will determine the final amount and state allocations for 2014-15, following the Administrator's reconciliation of activity data.

National Partnership payments

Under the Intergovernmental Agreement, National Partnership payments to the states are the key vehicle to support the delivery of specified projects, facilitate reforms, or reward those jurisdictions that deliver on nationally significant reforms.

National Partnerships are typically time-limited, reflecting the nature of the project or reform involved. National Partnership agreements are publicly available at: www.federalfinancialrelations.gov.au.

Total payments for specific purposes

In 2014-15, the states received \$48.0 billion in payments for specific purposes. Payments to the states for specific purposes constituted 11.5 per cent of total Commonwealth expenditure in 2014-15.

Total payments for specific purposes, including National SPPs, National Health Reform funding, Students First funding and National Partnership payments are shown in Table 26.

Table 26: Total payments for specific purposes by category, 2014-15

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|---|---------------|---------------|---------------|--------------|--------------|--------------|------------|--------------|---------------|
| National Specific Purpose | | | | | | | | | |
| Payments(a)(b) | 1,324 | 1,030 | 840 | 452 | 296 | 90 | 68 | 43 | 4,143 |
| National Health Reform funding(a)(c) | 4,878 | 3,851 | 3,061 | 1,755 | 1,125 | 334 | 305 | 158 | 15,466 |
| Students First funding(d) | 4,538 | 3,674 | 3,068 | 1,483 | 1,077 | 352 | 252 | 263 | 14,707 |
| National Partnership payments(e) | 3,965 | 2,612 | 3,113 | 2,216 | 661 | 270 | 190 | 653 | 13,681 |
| Total payments for specific purposes | 14,705 | 11,167 | 10,082 | 5,906 | 3,158 | 1,046 | 815 | 1,117 | 47,997 |

(a) The 2014-15 outcomes for the National SPPs and National Health Reform funding will be finalised following a Determination by the Treasurer.

(b) Includes residual payments made under the former National Schools SPP to reflect revisions to some states' entitlements from the 2013-14 financial year.

(c) National Health Reform funding amounts are for payments made in respect of 2014-15 services. These amounts will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool.

(d) The 2014-15 outcomes for Students First funding will be finalised following a Determination by the Minister for Education.

(e) Includes financial assistance grants for local government.

Total payments for specific purposes by sector, including National SPPs, National Health Reform funding, Students First funding and National Partnership payments, are shown in Table 27.

Table 27: Total payments for specific purposes by sector, 2014-15

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|---|---------------|---------------|---------------|--------------|--------------|--------------|------------|--------------|---------------|
| Health | 5,363 | 4,153 | 3,275 | 1,882 | 1,188 | 370 | 318 | 254 | 16,804 |
| Education | 4,802 | 3,818 | 3,198 | 1,548 | 1,123 | 366 | 266 | 337 | 15,458 |
| Skills and workforce development | 583 | 460 | 368 | 197 | 133 | 40 | 30 | 19 | 1,830 |
| Community services | 458 | 789 | 341 | 432 | 115 | 48 | 27 | 94 | 2,303 |
| Affordable housing | 515 | 351 | 440 | 305 | 130 | 34 | 23 | 146 | 1,944 |
| Infrastructure | 1,750 | 473 | 1,199 | 1,090 | 139 | 53 | 62 | 108 | 4,874 |
| Environment | 92 | 263 | 51 | 5 | 81 | 17 | 6 | 16 | 531 |
| Contingent | 5 | 3 | 423 | 3 | .. | .. | - | 87 | 522 |
| Other(a) | 1,137 | 857 | 787 | 444 | 249 | 118 | 83 | 57 | 3,732 |
| Total payments for specific purposes | 14,705 | 11,167 | 10,082 | 5,906 | 3,158 | 1,046 | 815 | 1,117 | 47,997 |

(a) Includes financial assistance grants for local government.

Total payments for specific purposes by sector and category, including National SPPs, National Health Reform funding, Students First funding and National Partnership payments, are shown in Table 28.

Table 28: Total payments for specific purposes by sector and category, 2014-15

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|---------------|---------------|---------------|--------------|--------------|--------------|------------|--------------|---------------|
| <i>Health</i> | | | | | | | | | |
| National Health Reform funding(a)(b) | 4,878 | 3,851 | 3,061 | 1,755 | 1,125 | 334 | 305 | 158 | 15,466 |
| National Partnerships | 486 | 302 | 214 | 127 | 64 | 36 | 14 | 96 | 1,338 |
| Total health payments | 5,363 | 4,153 | 3,275 | 1,882 | 1,188 | 370 | 318 | 254 | 16,804 |
| <i>Education</i> | | | | | | | | | |
| National Schools SPP(c) | .. | .. | .. | .. | - | - | .. | .. | .. |
| Students First funding(d) | 4,538 | 3,674 | 3,068 | 1,483 | 1,077 | 352 | 252 | 263 | 14,707 |
| National Partnerships | 263 | 144 | 129 | 65 | 46 | 14 | 14 | 75 | 750 |
| Total education payments | 4,802 | 3,818 | 3,198 | 1,548 | 1,123 | 366 | 266 | 337 | 15,458 |
| <i>Skills and workforce development</i> | | | | | | | | | |
| National Skills and Workforce Development SPP(a) | 460 | 358 | 289 | 157 | 103 | 31 | 24 | 15 | 1,435 |
| National Partnerships | 123 | 102 | 80 | 40 | 30 | 9 | 6 | 4 | 395 |
| Total skills and workforce development payments | 583 | 460 | 368 | 197 | 133 | 40 | 30 | 19 | 1,830 |
| <i>Community services</i> | | | | | | | | | |
| National Disability SPP(a)(e) | 446 | 347 | 289 | 152 | 100 | 30 | 23 | 14 | 1,402 |
| National Partnerships | 12 | 442 | 53 | 279 | 15 | 17 | 4 | 80 | 902 |
| Total community services payments | 458 | 789 | 341 | 432 | 115 | 48 | 27 | 94 | 2,303 |
| <i>Affordable housing</i> | | | | | | | | | |
| National Affordable Housing SPP(a) | 418 | 325 | 263 | 143 | 94 | 28 | 21 | 14 | 1,306 |
| National Partnerships | 96 | 26 | 178 | 162 | 37 | 6 | 2 | 132 | 638 |
| Total affordable housing payments | 515 | 351 | 440 | 305 | 130 | 34 | 23 | 146 | 1,944 |
| <i>Infrastructure</i> | | | | | | | | | |
| National Partnerships | 1,750 | 473 | 1,199 | 1,090 | 139 | 53 | 62 | 108 | 4,874 |
| <i>Environment</i> | | | | | | | | | |
| National Partnerships | 92 | 263 | 51 | 5 | 81 | 17 | 6 | 16 | 531 |
| <i>Contingent payments</i> | | | | | | | | | |
| National Partnerships | 5 | 3 | 423 | 3 | .. | .. | - | 87 | 522 |
| <i>Other</i> | | | | | | | | | |
| National Partnerships(f) | 1,137 | 857 | 787 | 444 | 249 | 118 | 83 | 57 | 3,732 |
| Total payments for specific purposes | 14,705 | 11,167 | 10,082 | 5,906 | 3,158 | 1,046 | 815 | 1,117 | 47,997 |

(a) The 2014-15 outcomes for the National SPPs and National Health Reform funding will be finalised following a Determination by the Treasurer.

(b) National Health Reform funding amounts are for payments made in respect of 2014-15 services. These amounts will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool.

(c) Residual payments were made under the former National Schools SPP to reflect revisions to some states' entitlements from the 2013-14 financial year.

(d) The 2014-15 outcomes for Students First funding will be finalised following a Determination by the Minister for Education.

(e) Includes an adjustment to achieve budget neutrality for 2012-13 activity; see footnote to Table 40 in Attachment A for details.

(f) Includes financial assistance grants for local government.

Natural Disaster Relief and Recovery Arrangements

The Commonwealth provides funding under the Natural Disaster Relief and Recovery Arrangements (NDRRA) to assist the states with relief and recovery assistance following eligible natural disasters.

For accounting purposes, the Commonwealth recognises a liability equal to the present value of future payments expected to be made to the states under the NDRRA. This is regardless of whether a state has completed eligible disaster reconstruction work or submitted an eligible claim under the NDRRA. Total cash payments in 2014-15 are presented in Table 29 below; see Table 44 in Attachment A for the expense outcome.

Table 29: NDRRA cash payments, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--------------|----------|----------|------------------|----------|----------|----------|----------|----------|------------------|
| NDRRA | - | - | 1,162,592 | - | - | - | - | - | 1,162,592 |
| Total | - | - | 1,162,592 | - | - | - | - | - | 1,162,592 |

GENERAL REVENUE ASSISTANCE

General revenue assistance is a broad category of payments, including the GST entitlement, which is provided to the states without conditions, to spend according to their own budget priorities.

In 2014-15, the states received \$55.4 billion in general revenue assistance from the Commonwealth, comprising \$54.3 billion in GST entitlements and \$1.1 billion of other general revenue assistance, as shown in Table 30. In 2014-15, total general revenue assistance to the states represented 13.3 per cent of total Commonwealth expenditure.

Table 30: General revenue assistance, 2014-15

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|---|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|
| GST entitlement(a) | 17,020 | 11,990 | 11,824 | 2,241 | 5,027 | 1,944 | 1,106 | 3,190 | 54,342 |
| Other general revenue assistance | | | | | | | | | |
| <i>ACT municipal services</i> | - | - | - | - | - | - | 38 | - | 38 |
| <i>Reduced royalties</i> | - | - | - | 46 | - | - | - | - | 46 |
| <i>Royalties</i> | - | - | - | 929 | - | - | - | 3 | 932 |
| <i>Snowy Hydro Ltd tax compensation</i> | 45 | 23 | - | - | - | - | - | - | 68 |
| Total other general revenue assistance | 45 | 23 | - | 975 | - | - | 38 | 3 | 1,083 |
| Total general revenue assistance | 17,065 | 12,013 | 11,824 | 3,216 | 5,027 | 1,944 | 1,143 | 3,193 | 55,425 |

(a) The 2014-15 GST outcome will be finalised following a Determination by the Treasurer.

GST PAYMENTS

Reconciling GST revenue and GST payments to the states

Under the Intergovernmental Agreement, the states are entitled to receive payments from the Commonwealth equivalent to the revenue received from the GST.

However, GST revenue for a financial year varies from the amount of GST paid to the states for that year because of:

- GST revenue which is recognised on a Commonwealth whole-of-government basis, but not remitted to the Australian Taxation Office (ATO) by 30 June of each financial year, as the revenue will not be remitted until the following financial year;
- penalties, other than general interest charge (GIC) penalties, which are not included in the definition in the *Federal Financial Relations Act 2009* of GST to be paid to the states;
- the GST component of sales by Commonwealth agencies which has been collected by those agencies but which, as at 30 June in each year, has not been remitted to the ATO, because it is not due to be paid until the next Business Activity Statement is lodged; and
- adjustments to account for any variation in the previous financial year between the Treasurer's final outcome Determination, and GST payment advances made during that financial year.

In 2014-15, GST revenue was \$56.5 billion. A reconciliation of GST revenue and GST entitlement to the states is provided in Table 31.

Table 31: GST revenue and GST entitlement to the states, 2014-15

| \$million | Total |
|---|---------------|
| GST revenue | 56,462 |
| less Change in GST receivables | 1,921 |
| GST receipts | 54,542 |
| less Non-GIC penalties collected | 237 |
| less Net GST collected by Commonwealth agencies but not yet remitted to the ATO | -37 |
| GST entitlement to the states(a) | 54,342 |

(a) The 2014-15 GST outcome will be finalised following a Determination by the Treasurer.

Advances of GST entitlements were provided to the states throughout the 2014-15 financial year based on the Commonwealth's estimate of GST entitlements as updated at the 2015-16 Budget. The GST entitlement to the states is expected to be \$342 million higher than the advances paid during 2014-15. A balancing adjustment will be made following a Determination by the Treasurer. Table 32 provides a reconciliation of the GST entitlement and GST advances to the states.

Table 32: GST entitlement and GST advances to the states, 2014-15

| \$million | Total |
|---|--------|
| GST entitlement to the states(a) | 54,342 |
| <i>less</i> Advances of GST made throughout 2014-15 | 54,000 |
| <i>equals</i> Following year balancing adjustment | 342 |

(a) The 2014-15 GST outcome will be finalised following a Determination by the Treasurer.

Distribution of the GST entitlement among the states

The Commonwealth distributes GST among the states in accordance with the principle of horizontal fiscal equalisation and having regard to the recommendations of the Commonwealth Grants Commission (the Commission).

GST relativities

The Commission recommends GST revenue sharing relativities to be used in calculating each state's entitlement of the GST pool. The relativities determine how much GST each state receives compared with an equal per capita share and are determined such that, if each state made the same effort to raise revenue from its own sources and operated at the same level of efficiency, each state would have the capacity to provide services and the associated infrastructure at the same standard.

This does not necessarily result in the same standard of government services – rather, it equalises each state's capacity to provide the same standard of services. In calculating GST relativities, the Commission takes into account differences in the states' capacities to raise revenues and differences in the costs the states would incur in providing the same standard of government services, including through acquiring the infrastructure used to deliver those services.

A Determination on the GST revenue sharing relativities for 2014-15 was made in March 2014. The relativities for 2014-15 are shown in Table 33.

Table 33: GST relativities, 2014-15

| | NSW | VIC | QLD | WA | SA | TAS | ACT | NT |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2014-15 | 0.97500 | 0.88282 | 1.07876 | 0.37627 | 1.28803 | 1.63485 | 1.23600 | 5.66061 |

Applying the GST relativities to the GST pool

The GST relativities were applied to estimated state populations to determine an adjusted population for each state. The entitlements are allocated using the population as at 31 December 2014 as determined by the Australian Statistician. Each state received its adjusted population share of the GST entitlement as shown in Table 34.

Table 34: Calculation of the 2014-15 GST entitlements^(a)

| | Population as at 31 December 2014 (1) | GST revenue sharing relativities (2) | Adjusted population (1) x (2) (3) | Share of adjusted population per cent (4) | Share of GST pool \$million (5) |
|-------|--|---|--|---|--|
| NSW | 7,565,497 | 0.97500 | 7,376,360 | 31.3 | 17,019.8 |
| VIC | 5,886,436 | 0.88282 | 5,196,663 | 22.1 | 11,990.5 |
| QLD | 4,750,513 | 1.07876 | 5,124,663 | 21.8 | 11,824.3 |
| WA | 2,581,250 | 0.37627 | 971,247 | 4.1 | 2,241.0 |
| SA | 1,691,503 | 1.28803 | 2,178,707 | 9.3 | 5,027.0 |
| TAS | 515,235 | 1.63485 | 842,332 | 3.6 | 1,943.5 |
| ACT | 387,640 | 1.23600 | 479,123 | 2.0 | 1,105.5 |
| NT | 244,265 | 5.66061 | 1,382,689 | 5.9 | 3,190.3 |
| Total | 23,622,339 | N/A | 23,551,784 | 100.0 | 54,342.0 |

(a) The 2014-15 GST outcome will be finalised following a Determination by the Treasurer.

Table 35 provides a summary of advances made in 2014-15 against the states' estimated final entitlements shown in Table 34 above. The variance between advances paid in 2014-15 and the states' final entitlements will be paid in the 2015-16 financial year.

Table 35: Summary of advances made in 2014-15 and distribution of following year adjustment across states

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|---------------------------------|----------|----------|----------|---------|---------|---------|---------|---------|----------|
| GST entitlement | 17,019.8 | 11,990.5 | 11,824.3 | 2,241.0 | 5,027.0 | 1,943.5 | 1,105.5 | 3,190.3 | 54,342.0 |
| 14-15 advances | 16,897.2 | 11,902.2 | 11,746.4 | 2,242.9 | 4,986.3 | 1,928.0 | 1,098.3 | 3,198.7 | 54,000.0 |
| Following year adjustment(a) | 122.6 | 88.2 | 78.0 | -1.9 | 40.7 | 15.5 | 7.2 | -8.4 | 342.0 |

(a) The 2014-15 GST outcome will be finalised following a Determination by the Treasurer.

GST administration costs

The Commissioner of Taxation administers the GST law and the states compensate the Commonwealth for the costs incurred by the ATO in administering the GST, including costs incurred by the former Australian Customs and Border Protection Service, as shown in Table 36.

Table 36: GST administration, 2014-15

| \$million | Actual | |
|--|-------------|-------------|
| | 2013-14 | 2014-15 |
| Australian Taxation Office budget | 698.6 | 688.5 |
| less Prior year adjustment | -11.0 | 8.2 |
| <i>equals</i> State government administration payments | 709.6 | 680.3 |
| less Australian Taxation Office outcome(a) | 690.4 | 681.1 |
| <i>equals</i> Commonwealth budget impact | 19.1 | -0.8 |
| plus Prior year adjustment | -11.0 | 8.2 |
| <i>equals</i> Following year adjustment | 8.2 | 7.4 |

(a) Estimated outcome for 2014-15 pending confirmation by the Australian National Audit Office.

Part 3: Australia's Federal Relations

The estimated outcome for the 2014-15 GST administration expenses of \$681.1 million differs from the amount paid by the states and the prior year adjustment by \$7.4 million. Once the outcome for GST administration costs in 2014-15 is audited and confirmed by the Australian National Audit Office, any adjustment required will be incorporated into the states' administration costs for 2015-16.

Attachment A

PAYMENTS TO THE STATES

This attachment provides information on Commonwealth payments to the states and local governments on an accruals basis. Details regarding Commonwealth advances (loans) to the states, including repayments of advances and interest on advances, are available online at www.budget.gov.au (table 48 refers). Most of these advances were funded from borrowings made on behalf of the states under previous Australian Loan Council arrangements.

The following tables detail payments to the states for 2014-15:

Table 37 – health;

Table 38 – education;

Table 39 – skills and workforce development;

Table 40 – community services;

Table 41 – affordable housing;

Table 42 – infrastructure;

Table 43 – environment;

Table 44 – contingent liabilities;

Table 45 – other purposes;

Table 46 – general revenue assistance; and

Table 47 – payments presented on the Australian Bureau of Statistics Government Finance Statistics (GFS) functional basis.

Table 37: Payments for specific purposes to support state health services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|---|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|------------|
| National Health Reform funding(a)(b) | | | | | | | | | |
| Hospital services | 4,769,584 | 3,767,018 | 2,993,300 | 1,718,444 | 1,100,548 | 326,343 | 299,072 | 154,466 | 15,128,775 |
| Public health | 107,994 | 84,025 | 67,810 | 36,846 | 24,145 | 7,355 | 5,533 | 3,487 | 337,195 |
| National Partnership payments | | | | | | | | | |
| Health Infrastructure | | | | | | | | | |
| Health and Hospitals Fund | | | | | | | | | |
| Hospital infrastructure and other projects of national significance | - | - | 15,000 | 50,000 | - | 1,000 | - | 400 | 66,400 |
| National cancer system | - | 69,500 | 34,406 | 1,050 | 400 | 3,849 | - | 600 | 109,805 |
| Regional priority round | 310,750 | 53,633 | 51,050 | 10,520 | 27,798 | - | 234 | 29,290 | 483,275 |
| Bright Hospital — feasibility study | - | 100 | - | - | - | - | - | - | 100 |
| Cancer Support Clinic in Katherine | - | - | - | - | - | - | - | 400 | 400 |
| Construction of Palmerston Hospital | - | - | - | - | - | - | - | 20,000 | 20,000 |
| Oncology Day Treatment Centre at Frankston Hospital | - | 650 | - | - | - | - | - | - | 650 |
| Redevelopment of the Royal Victorian Eye and Ear Hospital | - | 50,000 | - | - | - | - | - | - | 50,000 |
| Upgrade of Ballina Hospital | 1,000 | - | - | - | - | - | - | - | 1,000 |
| Upgrade of the Casino and District Memorial Hospital | 3,000 | - | - | - | - | - | - | - | 3,000 |
| Warrnambool Integrated Cancer Care Centre | - | 10,000 | - | - | - | - | - | - | 10,000 |

Table 37: Payments for specific purposes to support state health services, 2014-15 (continued)

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|-------|-------|-------|-------|-------|-------|-------|--------|--------|
| Health services | | | | | | | | | |
| Canberra Hospital — dedicated paediatric emergency care | - | - | - | - | - | - | 5,000 | - | 5,000 |
| Expansion of the BreastScreen Australia programme | 3,890 | 3,257 | 1,876 | 1,685 | 1,056 | 370 | 167 | 60 | 12,361 |
| Health care grants for the Torres Strait Hummingbird House | - | - | 4,519 | - | - | - | - | - | 4,519 |
| Hummingbird House | - | - | 1,500 | - | - | - | - | - | 1,500 |
| Improving Health Services in Tasmania | | | | | | | | | |
| Better access to community based palliative care services | - | - | - | - | - | 1,700 | - | - | 1,700 |
| Improving patient pathways through clinical and system redesign | - | - | - | - | - | 5,340 | - | - | 5,340 |
| Innovative flexible funding for mental health | - | - | - | - | - | 1,025 | - | - | 1,025 |
| Reducing elective surgery waiting lists in Tasmania | - | - | - | - | - | 9,702 | - | - | 9,702 |
| National Bowel Cancer Screening Programme — participant follow-up function | | | | | | | | | |
| National Perinatal Depression Initiative | - | 612 | 492 | 252 | 197 | 126 | 102 | 85 | 1,866 |
| OzFoodNet | 2,484 | 2,213 | 1,632 | 1,327 | 558 | 254 | 323 | 320 | 9,111 |
| Royal Darwin Hospital — equipped, prepared and ready | 338 | 250 | 250 | 196 | 196 | 183 | 137 | 143 | 1,693 |
| Torres Strait health protection strategy — mosquito control | - | - | - | - | - | - | - | 15,308 | 15,308 |
| Vaccine-preventable diseases surveillance | - | - | 958 | - | - | - | - | - | 958 |
| Victorian cytology service | 197 | 186 | 161 | 81 | 78 | 32 | 33 | 46 | 814 |
| Victorian cytology service | - | 8,888 | - | - | - | - | - | - | 8,888 |

Table 37: Payments for specific purposes to support state health services, 2014-15 (continued)

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|-------------------|
| Indigenous health | | | | | | | | | |
| Improving trachoma control services for Indigenous Australians | 117 | - | - | 1,340 | 952 | - | - | 1,528 | 3,937 |
| Indigenous early childhood development — antenatal and reproductive health | 8,340 | 1,490 | 8,006 | 6,121 | 1,654 | 1,147 | 262 | 4,434 | 31,454 |
| Renal dialysis services in Central Australia | - | - | - | - | - | - | - | 1,700 | 1,700 |
| Renal infrastructure in the Northern Territory | - | - | - | - | - | - | - | 4,000 | 4,000 |
| Rheumatic fever strategy | - | - | 870 | 870 | 414 | - | - | 870 | 3,024 |
| Stronger Futures in the Northern Territory Health components | - | - | - | - | - | - | - | 9,429 | 9,429 |
| Other | | | | | | | | | |
| Essential vaccines | 66,219 | 59,505 | 37,384 | 23,945 | 13,176 | 5,510 | 4,129 | 3,363 | 213,231 |
| Improving Public Hospital Services | | | | | | | | | |
| National elective surgery target — reward funding | 8,538 | - | - | 904 | 4,145 | - | 670 | 214 | 14,471 |
| National emergency access target — reward funding | 28,558 | - | 16,690 | - | - | - | - | - | 45,248 |
| National Coronial Information System | - | 441 | - | - | - | - | - | - | 441 |
| Supporting National Mental Health Reform | 13,559 | 9,474 | 15,624 | 6,376 | 3,378 | 1,642 | 620 | 887 | 51,560 |
| Treating more public dental patients | 38,540 | 31,941 | 23,398 | 21,963 | 9,630 | 4,269 | 1,904 | 3,009 | 134,654 |
| Total | 5,363,108 | 4,153,183 | 3,274,926 | 1,881,920 | 1,188,325 | 369,847 | 318,186 | 254,039 | 16,803,534 |

(a) The 2014-15 outcomes for National Health Reform funding will be finalised following a Determination by the Treasurer.

(b) Amounts for the hospital services component of National Health Reform are for payments made in respect of 2014-15 services. These amounts will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool.

Table 38: Payments for specific purposes to support state education services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|-------------------|
| National Schools SPP(a) | 25 | 43 | 12 | 17 | - | - | 27 | 14 | 138 |
| Students First funding(b) | 4,538,462 | 3,674,073 | 3,068,305 | 1,482,821 | 1,076,798 | 351,746 | 252,444 | 262,754 | 14,707,403 |
| National Partnership payments | | | | | | | | | |
| Independent Public Schools | 9,750 | - | 5,520 | 3,450 | 1,580 | 600 | 260 | 460 | 21,620 |
| MoneySmart Teaching | 249 | 235 | 189 | 128 | 122 | - | - | 105 | 1,028 |
| More support for students with disabilities | 18,419 | 13,998 | 12,100 | 5,932 | 4,268 | 1,357 | 996 | 656 | 57,726 |
| National quality agenda for early childhood education and care | 12,711 | 6,942 | 2,202 | 1,321 | 3,445 | 420 | 318 | 1,260 | 28,619 |
| National School Chaplaincy Programme | 11,113 | 12,614 | 18,102 | 7,627 | 7,489 | 2,192 | 966 | 483 | 60,586 |
| School Pathways Programme | - | - | - | 540 | 747 | - | - | - | 1,287 |
| Stronger Futures in the Northern Territory | | | | | | | | | |
| Schooling components(c) | - | - | - | - | - | - | - | 50,108 | 50,108 |
| Trade training centres in schools | 32,581 | 24,693 | 26,231 | 7,146 | 4,487 | 1,774 | 4,039 | 14,629 | 115,580 |
| Universal access to early childhood education | 178,473 | 85,857 | 65,019 | 38,756 | 23,890 | 7,856 | 7,040 | 6,920 | 413,811 |
| Total | 4,801,783 | 3,818,455 | 3,197,680 | 1,547,738 | 1,122,826 | 365,945 | 266,090 | 337,389 | 15,457,906 |
| <i>Memorandum item — payments for non-government schools included in payments above(d)</i> | | | | | | | | | |
| National Schools SPP(a) | 25 | 43 | 12 | 17 | - | - | 27 | 14 | 138 |
| Students First funding(b) | 2,924,929 | 2,438,774 | 1,937,982 | 976,082 | 702,346 | 195,324 | 175,446 | 122,751 | 9,473,634 |
| National Partnership payments | | | | | | | | | |
| More support for students with disabilities | 3,921 | 2,909 | 2,069 | 1,333 | 668 | 200 | 194 | 75 | 11,369 |
| Trade training centres in schools | 10,864 | 16,393 | 7,537 | 1,814 | 3,838 | - | 1,158 | 4,035 | 45,639 |
| Total | 2,939,739 | 2,458,119 | 1,947,600 | 979,246 | 706,852 | 195,524 | 176,825 | 126,875 | 9,530,780 |

- (a) Although National Schools SPP funding ceased in December 2013, payments were made during the 2014-15 financial year to reflect revisions to some states' entitlements from the 2013-14 financial year.
- (b) Students First funding includes funding for non-government representative bodies and other prescribed purpose funding. The 2014-15 Students First funding outcome will be finalised following a Determination by the Minister for Education.
- (c) Includes government and non-government schools; however, payments to non-government schools are not shown in the Memorandum item.
- (d) Actual cash payments to non-government schools may be inclusive of GST; however, Final Budget Outcome figures are reported exclusive of GST.

Table 39: Payments for specific purposes to support state skills and workforce development services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|---|----------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|------------------|
| National Skills and Workforce Development SPP(a) | 459,642 | 357,631 | 288,618 | 156,824 | 102,767 | 31,303 | 23,551 | 14,840 | 1,435,176 |
| National Partnership payments | | | | | | | | | |
| Building Australia's Future Workforce — skills reform | 121,208 | 93,853 | 77,023 | 39,340 | 27,401 | 8,439 | 6,046 | 3,900 | 377,210 |
| Industry and Indigenous Skills Centres | - | - | - | - | - | 76 | - | - | 76 |
| Joint group training programme | - | 5,622 | - | - | 919 | - | 234 | 172 | 6,947 |
| TAFE fee waivers for childcare qualifications(b) | 2,084 | 2,562 | 2,750 | 1,133 | 1,815 | 303 | 137 | -46 | 10,738 |
| Total | 582,934 | 459,668 | 368,391 | 197,297 | 132,902 | 40,121 | 29,968 | 18,866 | 1,830,147 |

(a) The 2014-15 National SPPs outcome will be finalised following a Determination by the Treasurer.

(b) The 2014-15 TAFE fee waivers for childcare qualifications outcome will be finalised once final enrolment figures for all jurisdictions are available.

Table 40: Payments for specific purposes to support state community services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|----------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|------------------|
| National Disability SPP(a) | 446,242 | 347,203 | 280,202 | 152,251 | 99,771 | 30,390 | 22,864 | 14,408 | 1,393,331 |
| Changed roles and responsibilities — adjustment to achieve budget neutrality(b) | - | - | 8,397 | - | - | - | - | - | 8,397 |
| National Partnership payments | | | | | | | | | |
| Transitioning responsibilities for aged care and disability services — Specialist disability services(c) | - | - | 17,570 | - | - | - | - | - | 17,570 |
| Assisting preparation towards the trial of the National Disability Insurance Scheme | - | - | - | - | - | 616 | 3,700 | - | 4,316 |
| Home and Community Care | - | 404,896 | - | 174,802 | - | - | - | - | 579,698 |
| Municipal and essential services transition fund | - | 12,500 | - | 90,000 | 15,000 | 13,371 | - | - | 130,871 |
| National Occasional Care Programme | - | 1,149 | - | - | 313 | - | - | - | 1,462 |
| Pay equity for the social and community services sector | 11,789 | 23,450 | 35,132 | 2,029 | - | 3,204 | - | - | 75,604 |
| Stronger Futures in the Northern Territory | | | | | | | | | |
| Community services components | - | - | - | - | - | - | - | 79,552 | 79,552 |
| Trial of My Way sites | - | - | - | 12,489 | - | - | - | - | 12,489 |
| Total | 458,031 | 789,198 | 341,301 | 431,571 | 115,084 | 47,581 | 26,564 | 93,960 | 2,303,290 |

(a) The 2014-15 National SPPs outcome will be finalised following a Determination by the Treasurer.

(b) The Commonwealth makes an adjustment to the National Disability SPP to ensure that the changes to Commonwealth and state roles and responsibilities for aged care and disability services are budget neutral. This adjustment relates to 2012-13 activity.

(c) Funding related to 2012-13 activity.

Table 41: Payments for specific purposes to support state affordable housing services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|----------------|----------------|----------------|----------------|----------------|---------------|---------------|----------------|------------------|
| National Affordable Housing SPP(a) | 418,197 | 325,384 | 262,594 | 142,684 | 93,501 | 28,481 | 21,428 | 13,502 | 1,305,771 |
| National Partnership payments | | | | | | | | | |
| First Home Owners Boost(b) | 56 | 301 | 4 | 133 | 14 | - | 7 | - | 515 |
| Homelessness | 35,720 | 22,790 | 34,074 | 14,970 | 8,870 | 3,400 | 1,520 | 5,320 | 126,664 |
| Remote Indigenous Housing | 60,654 | 2,500 | 143,478 | 146,906 | 27,762 | 2,464 | - | 70,980 | 454,744 |
| Stronger Futures in the Northern Territory Housing components | - | - | - | - | - | - | - | 55,873 | 55,873 |
| Total | 514,627 | 350,975 | 440,150 | 304,693 | 130,147 | 34,345 | 22,955 | 145,675 | 1,943,567 |

(a) The 2014-15 National SPPs outcome will be finalised following a Determination by the Treasurer.

(b) This reflects total payments to the states for the First Home Owners Boost. Total recoveries from the states under the First Home Owners Boost were \$1.3 million.

Table 42: Payments for specific purposes to support state infrastructure services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|------------------|----------------|------------------|------------------|----------------|---------------|---------------|----------------|------------------|
| National Partnership payments | | | | | | | | | |
| Infrastructure Investment Programme | | | | | | | | | |
| Black spot projects | 16,276 | 14,047 | 7,933 | 5,591 | 7,150 | 1,355 | 1,109 | - | 53,461 |
| Heavy vehicle safety and productivity | - | - | 109 | 15 | 225 | - | 32 | 150 | 531 |
| Improving the national network(a) | - | - | - | - | 50 | - | - | - | 50 |
| Investment | | | | | | | | | |
| Rail | 250,932 | 383 | 248,000 | - | - | 4,624 | - | - | 503,939 |
| Road | 1,225,947 | 215,900 | 864,233 | 539,227 | 81,392 | 35,614 | 568 | 88,161 | 3,051,042 |
| Supplementary(a) | - | - | - | 2 | - | - | - | - | 2 |
| Roads to Recovery | 97,332 | 68,506 | 55,528 | 43,228 | 28,849 | 11,148 | 8,641 | 8,650 | 321,882 |
| Infrastructure Growth Package — | | | | | | | | | |
| Asset Recycling Fund | | | | | | | | | |
| Asset Recycling Initiative | - | - | - | - | - | - | 7,913 | - | 7,913 |
| New Investments | - | - | - | - | 12,000 | 200 | - | 10,570 | 22,770 |
| Western Sydney Infrastructure Plan | 120,440 | - | - | - | - | - | - | - | 120,440 |
| Bathurst 200 Commemorative Flagstaff | 250 | - | - | - | - | - | - | - | 250 |
| Building Australia Fund | | | | | | | | | |
| Rail | - | 143,500 | - | - | - | - | - | - | 143,500 |
| Road | - | - | - | - | - | - | 41,180 | - | 41,180 |
| Centenary of Canberra 2013 — | | | | | | | | | |
| a gift to the national capital | - | - | - | - | - | - | 2,000 | - | 2,000 |
| Interstate road transport | 33,944 | 19,751 | 6,993 | 2,923 | 8,900 | 368 | 368 | 368 | 73,615 |
| Latrobe Valley economic diversification | - | 2,400 | - | - | - | - | - | - | 2,400 |
| Managed motorways | 200 | - | 9,416 | - | - | - | - | - | 9,616 |
| Murray-Darling Basin regional economic diversification programme | 5,000 | 8,321 | 6,549 | - | - | - | - | - | 19,870 |
| Western Australia infrastructure projects | - | - | - | 499,057 | - | - | - | - | 499,057 |
| Total | 1,750,321 | 472,808 | 1,198,761 | 1,090,043 | 138,566 | 53,309 | 61,811 | 107,899 | 4,873,518 |

Table 42: Payments for specific purposes to support state infrastructure services, 2014-15 (continued)

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|---------------|---------------|----------------|---------------|---------------|---------------|----------|--------------|----------------|
| <i>Memorandum item — payments direct to local governments included in payments above</i> | | | | | | | | | |
| Infrastructure Investment Programme | | | | | | | | | |
| Investment | | | | | | | | | |
| Road | - | - | 104,000 | - | - | - | - | - | 104,000 |
| Supplementary(a) | - | - | - | 2 | - | - | - | - | 2 |
| Roads to Recovery | 96,486 | 68,418 | 55,528 | 43,228 | 25,948 | 11,148 | - | 3,934 | 304,690 |
| Bathurst 200 Commemorative Flagstaff | 250 | - | - | - | - | - | - | - | 250 |
| Latrobe Valley economic diversification | - | 1,100 | - | - | - | - | - | - | 1,100 |
| Total | 96,736 | 69,518 | 159,528 | 43,230 | 25,948 | 11,148 | - | 3,934 | 410,042 |

(a) Figures represent expenses incurred against prepayments made to the states in prior years.

Table 43: Payments for specific purposes to support state environment services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|---|-------|-------|--------|-------|--------|-------|-------|-------|--------|
| National Partnership payments | | | | | | | | | |
| Assistance for water infrastructure and pest management in drought-affected areas | 900 | - | 8,100 | 250 | 750 | - | - | - | 10,000 |
| Assistance to farm businesses for water-related infrastructure | 7,000 | - | - | - | - | - | - | - | 7,000 |
| Bushfire mitigation | 762 | 914 | 305 | 305 | 457 | 457 | 305 | 305 | 3,810 |
| Environmental management of the former Rum Jungle Mine site | - | - | - | - | - | - | - | 3,910 | 3,910 |
| Great Artesian Basin Sustainability Initiative | 240 | - | - | - | 626 | - | - | - | 866 |
| Implementation of the National Insurance Affordability Initiative | - | - | 5,020 | - | - | - | - | - | 5,020 |
| Implementing water reform in the Murray-Darling Basin | 9,402 | 6,800 | 1,985 | - | 1,486 | - | 327 | - | 20,000 |
| National Urban Water and Desalination Plan | - | 1,550 | - | - | - | - | - | - | 1,550 |
| National Water Security Plan for Cities and Towns | 9,500 | - | 200 | - | - | - | - | - | 9,700 |
| Natural disaster resilience | 6,786 | 4,176 | 6,003 | 3,132 | 1,044 | 1,305 | 1,305 | 1,958 | 25,709 |
| Pest and disease preparedness and response programmes | 188 | 1,686 | 10,170 | - | 105 | - | - | 8,960 | 21,109 |
| South Australian River Murray Sustainability Programme | | | | | | | | | |
| Irrigation efficiency and water purchase | - | - | - | - | 29,000 | - | - | - | 29,000 |
| Irrigation industry assistance | - | - | - | - | 15,000 | - | - | - | 15,000 |
| Regional economic development | - | - | - | - | 4,500 | - | - | - | 4,500 |
| Sustainable Australia — Sustainable regional development | 40 | - | - | - | 40 | 40 | - | - | 120 |

Table 43: Payments for specific purposes to support state environment services, 2014-15 (continued)

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|---------------|----------------|---------------|--------------|---------------|---------------|--------------|---------------|----------------|
| National Partnership payments | | | | | | | | | |
| Sustainable Rural Water Use and Infrastructure Programme | 57,522 | 247,738 | 19,195 | 1,329 | 27,482 | 13,833 | 4,451 | 510 | 372,060 |
| Tasmanian Wilderness World Heritage Area | - | - | - | - | - | 1,547 | - | - | 1,547 |
| Water Reform — Constraint measures | - | - | - | - | 420 | - | - | - | 420 |
| Whale and dolphin entanglements | - | 33 | 40 | - | 28 | 35 | - | 34 | 170 |
| Total | 92,340 | 262,897 | 51,018 | 5,016 | 80,938 | 17,217 | 6,388 | 15,677 | 531,491 |
| <i>Memorandum item — payments direct to local governments included in payments above</i> | | | | | | | | | |
| Sustainable Australia — Sustainable regional development | 40 | - | - | - | 40 | 40 | - | - | 120 |
| Total | 40 | - | - | - | 40 | 40 | - | - | 120 |

Table 44: Payments for specific purposes to support contingent state services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|--------------|--------------|----------------|--------------|------------|----------|----------|---------------|----------------|
| National Partnership payments | | | | | | | | | |
| Hepatitis C settlement fund | 5 | - | - | - | - | - | - | - | 5 |
| Natural Disaster Relief and Recovery Arrangements(a) | 5,206 | 3,384 | 422,777 | 3,323 | 482 | 3 | - | 86,658 | 521,833 |
| Total | 5,211 | 3,384 | 422,777 | 3,323 | 482 | 3 | - | 86,658 | 521,838 |

(a) Figures in the table above reflect the expense outcome. Total cash payments made in 2014-15 are presented in Table 29.

Table 45: Payments for specific purposes to support other state services, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|------------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|------------------|
| National Partnership payments | | | | | | | | | |
| 2014 G20 leaders' summit security | - | - | 65,000 | - | - | - | - | - | 65,000 |
| Developing demand-driver infrastructure for the tourism industry | - | - | 361 | 900 | 1,019 | 799 | 749 | 799 | 4,627 |
| Financial assistance to local governments — Financial Assistance Grant programme | 1,067,967 | 808,108 | 676,116 | 420,753 | 229,164 | 108,373 | 72,974 | 49,560 | 3,433,015 |
| Legal assistance services | 64,639 | 45,798 | 42,481 | 20,548 | 17,894 | 6,774 | 4,553 | 4,025 | 206,712 |
| Port Arthur Penitentiary restoration | - | - | - | - | - | 1,500 | - | - | 1,500 |
| Provision of fire services | 4,120 | 2,902 | 2,923 | 1,304 | 973 | 255 | 4,940 | 1,578 | 18,995 |
| Remote Indigenous public internet access | 155 | - | 370 | 735 | 155 | - | - | 735 | 2,150 |
| Sinking fund on state debt | 20 | - | - | - | - | - | - | - | 20 |
| Total | 1,136,901 | 856,808 | 787,251 | 444,240 | 249,205 | 117,701 | 83,216 | 56,697 | 3,732,019 |

Table 46: General revenue assistance payments to the states, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|----------------------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| GST entitlement(a) | 17,019,782 | 11,990,478 | 11,824,349 | 2,240,998 | 5,027,020 | 1,943,548 | 1,105,501 | 3,190,336 | 54,342,012 |
| Other payments | | | | | | | | | |
| ACT Municipal Services | - | - | - | - | - | - | 37,983 | - | 37,983 |
| Reduced royalties | - | - | - | 45,703 | - | - | - | - | 45,703 |
| Royalties | - | - | - | 929,256 | - | - | - | 2,567 | 931,823 |
| Snowy Hydro Ltd tax compensation | 45,313 | 22,657 | - | - | - | - | - | - | 67,970 |
| Total | 17,065,095 | 12,013,135 | 11,824,349 | 3,215,957 | 5,027,020 | 1,943,548 | 1,143,484 | 3,192,903 | 55,425,491 |

(a) The 2014-15 GST outcome will be finalised following a Determination by the Treasurer.

Table 47: Total payments to the states by GFS function, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| General public services | - | - | 5,020 | - | - | - | - | - | 5,020 |
| Public order and safety | 69,521 | 49,614 | 110,709 | 22,157 | 19,324 | 7,486 | 9,798 | 40,925 | 329,534 |
| Education | 5,372,006 | 4,265,559 | 3,563,869 | 1,743,714 | 1,251,364 | 405,570 | 295,506 | 346,307 | 17,243,895 |
| Health | 5,362,967 | 4,152,905 | 3,274,926 | 1,881,601 | 1,188,325 | 369,847 | 318,076 | 253,981 | 16,802,628 |
| Social security and welfare | 470,888 | 783,918 | 343,503 | 343,211 | 103,529 | 34,630 | 26,992 | 47,898 | 2,154,569 |
| Housing and community amenities | 533,703 | 378,405 | 452,742 | 397,825 | 150,759 | 49,096 | 26,260 | 172,456 | 2,161,246 |
| Recreation and culture | - | - | - | - | - | 3,047 | - | - | 3,047 |
| Agriculture, forestry and fishing | 77,752 | 257,774 | 39,650 | 1,579 | 74,869 | 13,833 | 4,778 | 9,470 | 479,705 |
| Transport and communication | 1,745,226 | 462,087 | 1,192,582 | 1,090,778 | 138,721 | 53,309 | 59,811 | 108,634 | 4,851,148 |
| Other economic affairs | - | 5,622 | 361 | 900 | 1,938 | 875 | 983 | 971 | 11,650 |
| Other purposes(a) | 18,138,288 | 12,824,627 | 12,923,242 | 3,640,033 | 5,256,666 | 2,051,924 | 1,216,458 | 3,329,121 | 59,380,359 |
| Total payments to the states | 31,770,351 | 23,180,511 | 21,906,604 | 9,121,798 | 8,185,495 | 2,989,617 | 1,958,662 | 4,309,763 | 103,422,801 |
| <i>less</i> payments 'through' the states | 3,148,948 | 2,584,883 | 2,078,380 | 1,031,242 | 742,190 | 210,157 | 194,894 | 149,526 | 10,140,220 |
| <i>less</i> financial assistance grants for local government | 1,067,967 | 808,108 | 676,116 | 420,753 | 229,164 | 108,373 | 72,974 | 49,560 | 3,433,015 |
| <i>less</i> payments direct 'to' local government | 96,776 | 69,518 | 159,528 | 43,230 | 25,988 | 11,188 | - | 3,934 | 410,162 |
| <i>equals</i> total payments 'to' the states for own-purpose expenses | 27,456,660 | 19,718,002 | 18,992,580 | 7,626,573 | 7,188,153 | 2,659,899 | 1,690,794 | 4,106,743 | 89,439,404 |

(a) Payments for 'Other purposes' includes general revenue assistance to the states.

APPENDIX A: EXPENSES BY FUNCTION AND SUB-FUNCTION

Table A1 sets out Australian Government general government sector expenses by function and sub-function for 2014-15.

Table A1: Australian Government general government sector expenses by function and sub-function

| | 2013-14 Outcome | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|---|--------------------|---|--------------------|--------------------------------|
| | \$m | \$m | \$m | \$m |
| General public services | | | | |
| Legislative and executive affairs | 1,401 | 1,165 | 1,124 | -42 |
| Financial and fiscal affairs | 16,995 | 7,763 | 7,145 | -618 |
| Foreign affairs and economic aid | 6,011 | 6,324 | 6,393 | 69 |
| General research | 2,717 | 2,847 | 2,766 | -81 |
| General services | 684 | 860 | 720 | -140 |
| Government superannuation benefits | 5,834 | 6,208 | 6,457 | 249 |
| Total general public services | 33,642 | 25,169 | 24,605 | -564 |
| Defence | 22,113 | 24,612 | 23,790 | -822 |
| Public order and safety | | | | |
| Courts and legal services | 1,089 | 1,063 | 1,021 | -42 |
| Other public order and safety | 3,280 | 3,518 | 3,422 | -96 |
| Total public order and safety | 4,368 | 4,580 | 4,443 | -138 |
| Education | | | | |
| Higher education | 8,970 | 9,133 | 9,078 | -55 |
| Vocational and other education | 1,760 | 1,823 | 1,823 | 0 |
| Schools | 13,531 | 14,664 | 14,706 | 42 |
| <i>Non-government schools</i> | 8,741 | 9,417 | 9,474 | 57 |
| <i>Government schools</i> | 4,790 | 5,247 | 5,232 | -15 |
| School education - specific funding | 965 | 928 | 886 | -42 |
| Student assistance | 4,157 | 4,403 | 4,372 | -30 |
| General administration | 286 | 251 | 235 | -16 |
| Total education | 29,669 | 31,202 | 31,101 | -101 |
| Health | | | | |
| Medical services and benefits | 26,360 | 28,195 | 27,768 | -427 |
| Pharmaceutical benefits and services | 10,351 | 10,607 | 10,322 | -286 |
| Assistance to the States for public hospitals | 13,841 | 15,459 | 15,466 | 7 |
| Hospital services | 3,004 | 2,019 | 2,007 | -12 |
| Health services | 6,571 | 6,796 | 6,335 | -461 |
| General administration | 3,100 | 3,220 | 3,103 | -117 |
| Aboriginal and Torres Strait Islander health | 756 | 740 | 695 | -45 |
| Total health | 63,983 | 67,037 | 65,696 | -1,341 |

Table A1: Australian Government general government sector expenses by function and sub-function (continued)

| | 2013-14 Outcome | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|---|--------------------|---|--------------------|--------------------------------|
| | \$m | \$m | \$m | \$m |
| Social security and welfare | | | | |
| Assistance to the aged | 54,587 | 57,637 | 57,506 | -131 |
| Assistance to veterans and dependants | 6,950 | 6,790 | 6,865 | 75 |
| Assistance to people with disabilities | 25,839 | 27,724 | 27,465 | -259 |
| Assistance to families with children | 36,352 | 38,808 | 38,080 | -728 |
| Assistance to the unemployed and the sick | 10,050 | 10,810 | 10,728 | -83 |
| Other welfare programmes | 1,190 | 1,527 | 1,441 | -86 |
| Assistance for Indigenous Australians nec | 1,691 | 2,148 | 2,102 | -46 |
| General administration | 3,907 | 3,662 | 3,601 | -62 |
| Total social security and welfare | 140,566 | 149,107 | 147,787 | -1,320 |
| Housing and community amenities | | | | |
| Housing | 3,221 | 3,348 | 3,269 | -79 |
| Urban and regional development | 620 | 734 | 679 | -55 |
| Environment protection | 4,515 | 858 | 887 | 30 |
| Total housing and community amenities | 8,355 | 4,940 | 4,835 | -105 |
| Recreation and culture | | | | |
| Broadcasting | 1,526 | 1,538 | 1,555 | 18 |
| Arts and cultural heritage | 1,236 | 1,187 | 1,175 | -13 |
| Sport and recreation | 511 | 404 | 401 | -3 |
| National estate and parks | 476 | 390 | 402 | 12 |
| Total recreation and culture | 3,749 | 3,520 | 3,534 | 14 |
| Fuel and energy | 6,749 | 6,986 | 6,799 | -187 |
| Agriculture, forestry and fishing | | | | |
| Wool industry | 56 | 55 | 61 | 5 |
| Grains industry | 164 | 219 | 197 | -22 |
| Dairy industry | 53 | 55 | 57 | 2 |
| Cattle, sheep and pig industry | 194 | 200 | 205 | 5 |
| Fishing, horticulture and other agriculture | 261 | 298 | 276 | -22 |
| General assistance not allocated to specific industries | 26 | 26 | 27 | 1 |
| Rural assistance | 127 | 199 | 142 | -57 |
| Natural resources development | 869 | 1,011 | 848 | -162 |
| General administration | 634 | 669 | 599 | -70 |
| Total agriculture, forestry and fishing | 2,385 | 2,731 | 2,411 | -321 |
| Mining, manufacturing and construction | 3,451 | 3,218 | 3,550 | 332 |
| Transport and communication | | | | |
| Communication | 701 | 643 | 636 | -8 |
| Rail transport | 1,648 | 740 | 724 | -16 |
| Air transport | 208 | 210 | 205 | -5 |
| Road transport | 5,305 | 4,214 | 4,207 | -6 |
| Sea transport | 335 | 351 | 345 | -6 |
| Other transport and communication | 211 | 345 | 315 | -30 |
| Total transport and communication | 8,407 | 6,504 | 6,433 | -71 |

Table A1: Australian Government general government sector expenses by function and sub-function (continued)

| | 2013-14 Outcome | 2014-15 Estimate at 2015-16 Budget | 2014-15 Outcome | Change on 2015-16 Budget |
|---|--------------------|---|--------------------|--------------------------------|
| | \$m | \$m | \$m | \$m |
| Other economic affairs | | | | |
| Tourism and area promotion | 188 | 172 | 186 | 14 |
| Total labour and employment affairs | 3,879 | 3,903 | 3,673 | -231 |
| <i>Vocational and industry training</i> | 1,625 | 1,446 | 1,288 | -159 |
| <i>Labour market assistance to job seekers and industry</i> | 1,568 | 1,694 | 1,573 | -121 |
| <i>Industrial relations</i> | 686 | 763 | 811 | 49 |
| Immigration | 4,404 | 4,459 | 4,036 | -422 |
| Other economic affairs nec | 2,367 | 2,146 | 2,151 | 5 |
| Total other economic affairs | 10,838 | 10,680 | 10,046 | -634 |
| Other purposes | | | | |
| Public debt interest | 13,414 | 14,468 | 14,491 | 23 |
| <i>Interest on Australian Government's behalf</i> | 13,414 | 14,468 | 14,491 | 23 |
| Nominal superannuation interest | 8,214 | 8,989 | 8,999 | 10 |
| General purpose inter-government transactions | 53,563 | 57,467 | 58,859 | 1,392 |
| <i>General revenue assistance - States and Territories</i> | 52,391 | 55,178 | 55,425 | 247 |
| <i>Local government assistance</i> | 1,173 | 2,289 | 3,433 | 1,144 |
| Natural disaster relief | 377 | 36 | 522 | 486 |
| Contingency reserve | 0 | -911 | 0 | 911 |
| Total other purposes | 75,568 | 80,049 | 82,871 | 2,821 |
| Total expenses | 413,845 | 420,335 | 417,898 | -2,437 |

APPENDIX B: HISTORICAL AUSTRALIAN GOVERNMENT DATA

This appendix reports historical data for the Australian Government fiscal aggregates across the general government, public non-financial corporations and non-financial public sectors.

DATA SOURCES

Data are sourced from Australian Government *Final Budget Outcomes*, the Australian Bureau of Statistics (ABS), the Australian Office of Financial Management (AOFM) and Australian Government *Consolidated Financial Statements*.

- Accrual data from 1996-97 onwards and cash data, net debt data, net financial worth data and net worth data from 1999-2000 onwards are sourced from Australian Government *Final Budget Outcomes*. Back-casting adjustments for accounting classification changes and other revisions have been made from 1998-99 onwards where applicable.
- Cash data prior to 1999-2000 are sourced from ABS data, which have been calculated using methodology consistent with that used for later years in ABS cat. no. 5512.0 *Government Finance Statistics*.
- Net debt data prior to 1999-2000 are from ABS cat. no. 5512.0 *Government Finance Statistics 2003-04* in 1998-99, ABS cat. no. 5501.0 *Government Financial Estimates 1999-2000* and ABS cat. no. 5513.0 *Public Sector Financial Assets and Liabilities 1998* in 1987-88 to 1997-98, and Treasury estimates (see Treasury's *Economic Roundup*, Spring 1996, pages 97-103) prior to 1987-88.

COMPARABILITY OF DATA ACROSS YEARS

The data set contains a number of structural breaks owing to accounting classification differences and changes to the structure of the budget which cannot be eliminated through back-casting because of data limitations. These breaks can affect the comparability of data across years, especially when the analysis is taken over a large number of years. Specific factors causing structural breaks include:

- from 2005-06 onwards, underlying Government Finance Statistics (GFS) data are provided by agencies in accordance with Australian Accounting Standards (AAS) which includes International Financial Reporting Standards (IFRS) as adopted in Australia. Prior to 2005-06, underlying GFS data are based on data provided by agencies applying AAS prior to the adoption of IFRS;

Appendix B: Historical Australian Government Data

- most recent accounting classification changes that require revisions to the historical series have been back-cast (where applicable) to 1998-99, ensuring that data are consistent across the accrual period from 1998-99 onwards. However, because of data limitations, these changes have not been back-cast to earlier years;
- prior to 1999-2000, Australian Government general government sector debt instruments are valued at historic cost, whereas from 1999-2000 onwards they are valued at market prices (consistent with accrual GFS standards). This affects net debt and net interest payments;
- cash data up to and including 1997-98 are calculated under a cash accounting framework, while cash data from 1998-99 onwards are derived from an accrual accounting framework.¹ Although the major methodological differences associated with the move to the accrual framework have been eliminated through back-casting, comparisons across the break may still be affected by changes to some data sources and collection methodologies;
- adjustments in the coverage of agencies included in the accounts of the different sectors. These include the reclassification of Central Banking Authorities from the general government to the public financial corporations sector in 1998-99, and subsequent back-casting to account for this change;
- changes in arrangements for transfer payments, where tax concessions or rebates have been replaced by payments through the social security system. This has the effect of increasing both cash receipts and payments, as compared with earlier periods, but not changing cash balances. Changes in the opposite direction (tax expenditures replacing payments) reduce both cash payments and receipts; and
- classification differences in the data relating to the period prior to 1976-77 (which means that earlier data may not be entirely consistent with data for 1976-77 onwards).

REVISIONS TO PREVIOUSLY PUBLISHED DATA

Under the accrual GFS framework and generally under AAS, flows are recorded in the period in which they occurred. As a result, prior period outcomes may be revised for classification changes relating to information that could reasonably have been expected to be known in the past, is material in at least one of the affected periods, and can be reliably assigned to the relevant period(s).

¹ Prior to the 2008-09 Budget, cash data calculated under the cash accounting framework were used up to and including 1998-99. In the 2008-09 Budget, cash data prior to 1998-99 have been replaced by ABS data derived from the accrual framework.

Table B1: Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance^(a)

| | Receipts(b) | | Payments(c) | | | | Net Future Fund earnings | Underlying cash balance(d) | | | |
|---------|-----------------|-----------------|----------------------------|----------------------------|--|-----------------|--------------------------|----------------------------|-----------------|-----------------|-----------------|
| | Per cent of GDP | Per cent of GDP | Per cent real growth (\$m) | Per cent real growth (CPI) | Per cent real growth (NFGDP deflator)(e) | Per cent of GDP | Per cent of GDP | Per cent of GDP | | | |
| | | | | | | | | | Per cent of GDP | Per cent of GDP | Per cent of GDP |
| | | | | | | | | | | | |
| \$m | \$m | \$m | \$m | \$m | \$m | \$m | \$m | | | | |
| 1970-71 | 8,290 | 20.6 | 7,389 | na | na | 18.3 | - | 901 | 2.2 | | |
| 1971-72 | 9,135 | 20.5 | 8,249 | 4.1 | 4.7 | 18.6 | - | 886 | 2.0 | | |
| 1972-73 | 9,735 | 19.6 | 9,388 | 7.7 | 7.8 | 18.9 | - | 348 | 0.7 | | |
| 1973-74 | 12,228 | 20.3 | 11,078 | 4.2 | 3.6 | 18.4 | - | 1,150 | 1.9 | | |
| 1974-75 | 15,643 | 22.0 | 15,463 | 19.9 | 14.6 | 21.7 | - | 181 | 0.3 | | |
| 1975-76 | 18,727 | 22.5 | 20,225 | 15.7 | 13.5 | 24.3 | - | -1,499 | -1.8 | | |
| 1976-77 | 21,890 | 22.8 | 23,157 | 0.6 | 1.9 | 24.1 | - | -1,266 | -1.3 | | |
| 1977-78 | 24,019 | 22.9 | 26,057 | 2.7 | 3.3 | 24.9 | - | -2,037 | -1.9 | | |
| 1978-79 | 26,129 | 22.1 | 28,272 | 0.3 | 2.7 | 23.9 | - | -2,142 | -1.8 | | |
| 1979-80 | 30,321 | 22.6 | 31,642 | 1.5 | 2.1 | 23.6 | - | -1,322 | -1.0 | | |
| 1980-81 | 35,993 | 23.7 | 36,176 | 4.6 | 3.6 | 23.8 | - | -184 | -0.1 | | |
| 1981-82 | 41,499 | 23.6 | 41,151 | 2.9 | 0.5 | 23.4 | - | 348 | 0.2 | | |
| 1982-83 | 45,463 | 24.0 | 48,810 | 6.3 | 6.2 | 25.8 | - | -3,348 | -1.8 | | |
| 1983-84 | 49,981 | 23.4 | 56,990 | 9.4 | 9.6 | 26.7 | - | -7,008 | -3.3 | | |
| 1984-85 | 58,817 | 25.0 | 64,853 | 9.1 | 9.0 | 27.6 | - | -6,037 | -2.6 | | |
| 1985-86 | 66,206 | 25.4 | 71,328 | 1.5 | 3.6 | 27.4 | - | -5,122 | -2.0 | | |
| 1986-87 | 74,724 | 26.1 | 77,158 | -1.1 | 0.7 | 27.0 | - | -2,434 | -0.9 | | |
| 1987-88 | 83,491 | 25.8 | 82,039 | -0.9 | 0.1 | 25.3 | - | 1,452 | 0.4 | | |
| 1988-89 | 90,748 | 24.7 | 85,326 | -3.1 | -4.4 | 23.2 | - | 5,421 | 1.5 | | |
| 1989-90 | 98,625 | 24.4 | 92,684 | 0.6 | 1.7 | 22.9 | - | 5,942 | 1.5 | | |
| 1990-91 | 100,227 | 24.2 | 100,665 | 3.1 | 3.7 | 24.3 | - | -438 | -0.1 | | |
| 1991-92 | 95,840 | 22.7 | 108,472 | 5.7 | 5.9 | 25.6 | - | -12,631 | -3.0 | | |
| 1992-93 | 97,633 | 22.0 | 115,751 | 5.6 | 5.9 | 26.1 | - | -18,118 | -4.1 | | |
| 1993-94 | 103,824 | 22.2 | 122,009 | 3.5 | 4.4 | 26.1 | - | -18,185 | -3.9 | | |
| 1994-95 | 113,458 | 22.9 | 127,619 | 1.4 | 2.5 | 25.7 | - | -14,160 | -2.9 | | |
| 1995-96 | 124,429 | 23.5 | 135,538 | 1.9 | 3.2 | 25.6 | - | -11,109 | -2.1 | | |
| 1996-97 | 133,592 | 24.0 | 139,689 | 1.7 | 1.5 | 25.1 | - | -6,099 | -1.1 | | |
| 1997-98 | 140,736 | 23.9 | 140,587 | 0.6 | -0.7 | 23.9 | - | 149 | 0.0 | | |
| 1998-99 | 152,063 | 24.5 | 148,175 | 4.1 | 4.9 | 23.9 | - | 3,889 | 0.6 | | |
| 1999-00 | 166,199 | 25.2 | 153,192 | 1.0 | 0.8 | 23.2 | - | 13,007 | 2.0 | | |
| 2000-01 | 182,996 | 25.9 | 177,123 | 9.1 | 10.8 | 25.1 | - | 5,872 | 0.8 | | |
| 2001-02 | 187,588 | 24.9 | 188,655 | 3.5 | 4.1 | 25.0 | - | -1,067 | -0.1 | | |
| 2002-03 | 204,613 | 25.5 | 197,243 | 1.4 | 1.4 | 24.6 | - | 7,370 | 0.9 | | |
| 2003-04 | 217,775 | 25.3 | 209,785 | 3.9 | 2.6 | 24.3 | - | 7,990 | 0.9 | | |
| 2004-05 | 235,984 | 25.6 | 222,407 | 3.5 | 2.0 | 24.1 | - | 13,577 | 1.5 | | |
| 2005-06 | 255,943 | 25.6 | 240,136 | 4.6 | 2.6 | 24.1 | 51 | 15,757 | 1.6 | | |
| 2006-07 | 272,637 | 25.1 | 253,321 | 2.5 | 0.5 | 23.3 | 2,127 | 17,190 | 1.6 | | |
| 2007-08 | 294,917 | 25.0 | 271,843 | 3.8 | 2.7 | 23.1 | 3,319 | 19,754 | 1.7 | | |
| 2008-09 | 292,600 | 23.3 | 316,046 | 12.7 | 10.4 | 25.1 | 3,566 | -27,013 | -2.1 | | |
| 2009-10 | 284,662 | 22.0 | 336,900 | 4.2 | 5.5 | 26.0 | 2,256 | -54,494 | -4.2 | | |

Table B1: Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance^(a) (continued)

| | Receipts(b) | | Payments(c) | | | | Net Future Fund earnings | Underlying cash balance(d) | |
|---------|-------------|-----------------|-------------|----------------------------|----------------------|-----------------|--------------------------|----------------------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent real growth (CPI) | Per cent real growth | | \$m | \$m | Per cent of GDP |
| | | | | | (NFGDP deflator)(e) | Per cent of GDP | | | |
| | | | | | | | | | |
| 2010-11 | 302,024 | 21.5 | 346,102 | -0.4 | -3.2 | 24.6 | 3,385 | -47,463 | -3.4 |
| 2011-12 | 329,874 | 22.2 | 371,032 | 4.8 | 5.2 | 24.9 | 2,203 | -43,360 | -2.9 |
| 2012-13 | 351,052 | 23.1 | 367,204 | -3.2 | -0.6 | 24.1 | 2,682 | -18,834 | -1.2 |
| 2013-14 | 360,322 | 22.8 | 406,430 | 7.8 | 9.1 | 25.7 | 2,348 | -48,456 | -3.1 |
| 2014-15 | 378,301 | 23.5 | 412,079 | -0.3 | 2.0 | 25.6 | 4,089 | -37,867 | -2.4 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Receipts are equal to cash receipts from operating activities and sales of non-financial assets.

(c) Payments are equal to cash payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases.

(d) Underlying cash balance is equal to receipts less payments, less net Future Fund earnings. For the purposes of consistent comparison with years prior to 2005-06, net Future Fund earnings should be added back to the underlying cash balance.

(e) Real spending growth is calculated using the Consumer Price Index as the deflator. Real spending growth using non-farm GDP deflator is included for comparative purposes only.

Table B2: Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance^(a)

| | | | Net cash flows from investments in financial assets for policy purposes(b) | | Headline cash balance(c) | |
|---------|----------|----------|---|----------|--------------------------------|----------|
| | Receipts | Payments | | Per cent | | Per cent |
| | \$m | \$m | \$m | of GDP | \$m | of GDP |
| 1970-71 | 8,290 | 7,389 | -851 | -2.1 | 50 | 0.1 |
| 1971-72 | 9,135 | 8,249 | -987 | -2.2 | -101 | -0.2 |
| 1972-73 | 9,735 | 9,388 | -977 | -2.0 | -629 | -1.3 |
| 1973-74 | 12,228 | 11,078 | -1,275 | -2.1 | -125 | -0.2 |
| 1974-75 | 15,643 | 15,463 | -2,648 | -3.7 | -2,467 | -3.5 |
| 1975-76 | 18,727 | 20,225 | -2,040 | -2.5 | -3,539 | -4.3 |
| 1976-77 | 21,890 | 23,157 | -1,530 | -1.6 | -2,796 | -2.9 |
| 1977-78 | 24,019 | 26,057 | -1,324 | -1.3 | -3,361 | -3.2 |
| 1978-79 | 26,129 | 28,272 | -1,074 | -0.9 | -3,216 | -2.7 |
| 1979-80 | 30,321 | 31,642 | -702 | -0.5 | -2,024 | -1.5 |
| 1980-81 | 35,993 | 36,176 | -962 | -0.6 | -1,146 | -0.8 |
| 1981-82 | 41,499 | 41,151 | -1,008 | -0.6 | -660 | -0.4 |
| 1982-83 | 45,463 | 48,810 | -1,363 | -0.7 | -4,711 | -2.5 |
| 1983-84 | 49,981 | 56,990 | -1,136 | -0.5 | -8,144 | -3.8 |
| 1984-85 | 58,817 | 64,853 | -922 | -0.4 | -6,959 | -3.0 |
| 1985-86 | 66,206 | 71,328 | -810 | -0.3 | -5,932 | -2.3 |
| 1986-87 | 74,724 | 77,158 | -545 | -0.2 | -2,979 | -1.0 |
| 1987-88 | 83,491 | 82,039 | 657 | 0.2 | 2,109 | 0.7 |
| 1988-89 | 90,748 | 85,326 | 168 | 0.0 | 5,589 | 1.5 |
| 1989-90 | 98,625 | 92,684 | 1,217 | 0.3 | 7,159 | 1.8 |
| 1990-91 | 100,227 | 100,665 | 1,563 | 0.4 | 1,125 | 0.3 |
| 1991-92 | 95,840 | 108,472 | 2,156 | 0.5 | -10,475 | -2.5 |
| 1992-93 | 97,633 | 115,751 | 2,471 | 0.6 | -15,647 | -3.5 |
| 1993-94 | 103,824 | 122,009 | 3,447 | 0.7 | -14,738 | -3.2 |
| 1994-95 | 113,458 | 127,619 | 1,546 | 0.3 | -12,614 | -2.5 |
| 1995-96 | 124,429 | 135,538 | 5,188 | 1.0 | -5,921 | -1.1 |
| 1996-97 | 133,592 | 139,689 | 7,241 | 1.3 | 1,142 | 0.2 |
| 1997-98 | 140,736 | 140,587 | 15,154 | 2.6 | 15,303 | 2.6 |
| 1998-99 | 152,063 | 148,175 | 6,948 | 1.1 | 10,837 | 1.7 |
| 1999-00 | 166,199 | 153,192 | 9,500 | 1.4 | 22,507 | 3.4 |
| 2000-01 | 182,996 | 177,123 | 5,673 | 0.8 | 11,545 | 1.6 |
| 2001-02 | 187,588 | 188,655 | 3,422 | 0.5 | 2,355 | 0.3 |
| 2002-03 | 204,613 | 197,243 | -229 | 0.0 | 7,141 | 0.9 |
| 2003-04 | 217,775 | 209,785 | -452 | -0.1 | 7,538 | 0.9 |
| 2004-05 | 235,984 | 222,407 | -1,139 | -0.1 | 12,438 | 1.3 |
| 2005-06 | 255,943 | 240,136 | -1,647 | -0.2 | 14,160 | 1.4 |
| 2006-07 | 272,637 | 253,321 | 7,403 | 0.7 | 26,720 | 2.5 |
| 2007-08 | 294,917 | 271,843 | 5,108 | 0.4 | 28,181 | 2.4 |
| 2008-09 | 292,600 | 316,046 | -7,889 | -0.6 | -31,336 | -2.5 |
| 2009-10 | 284,662 | 336,900 | -4,278 | -0.3 | -56,516 | -4.4 |

Table B2: Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance^(a) (continued)

| | | | Net cash flows from investments in financial assets for policy purposes(b) | | Headline cash balance(c) | |
|---------|----------|----------|---|--------------------|--------------------------------|--------------------|
| | Receipts | Payments | | Per cent of GDP | | Per cent of GDP |
| | \$m | \$m | \$m | | \$m | |
| 2010-11 | 302,024 | 346,102 | -7,028 | -0.5 | -51,106 | -3.6 |
| 2011-12 | 329,874 | 371,032 | -5,866 | -0.4 | -47,023 | -3.2 |
| 2012-13 | 351,052 | 367,204 | -4,802 | -0.3 | -20,954 | -1.4 |
| 2013-14 | 360,322 | 406,430 | -6,371 | -0.4 | -52,479 | -3.3 |
| 2014-15 | 378,301 | 412,079 | -5,158 | -0.3 | -38,936 | -2.4 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Prior to 1999-2000, net cash flows from investments in financial assets for policy purposes were referred to as 'net advances'. A negative number reflects a cash outflow, while a positive number reflects a cash inflow.

(c) Headline cash balance is equal to receipts less payments, plus net cash flows from investments in financial assets for policy purposes. Receipts and payments are identical to Table B1.

Table B3: Australian Government general government sector call on resources^(a)

| | Receipts(b) | | Headline cash balance(c) | | Call on resources(d) | |
|---------|-------------|-----------------|--------------------------|-----------------|----------------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent of GDP | \$m | Per cent of GDP |
| | 1970-71 | 8,290 | 20.6 | 50 | 0.1 | 8,240 |
| 1971-72 | 9,135 | 20.5 | -101 | -0.2 | 9,236 | 20.8 |
| 1972-73 | 9,735 | 19.6 | -629 | -1.3 | 10,364 | 20.8 |
| 1973-74 | 12,228 | 20.3 | -125 | -0.2 | 12,353 | 20.5 |
| 1974-75 | 15,643 | 22.0 | -2,467 | -3.5 | 18,110 | 25.5 |
| 1975-76 | 18,727 | 22.5 | -3,539 | -4.3 | 22,266 | 26.8 |
| 1976-77 | 21,890 | 22.8 | -2,796 | -2.9 | 24,686 | 25.7 |
| 1977-78 | 24,019 | 22.9 | -3,361 | -3.2 | 27,380 | 26.1 |
| 1978-79 | 26,129 | 22.1 | -3,216 | -2.7 | 29,345 | 24.8 |
| 1979-80 | 30,321 | 22.6 | -2,024 | -1.5 | 32,345 | 24.1 |
| 1980-81 | 35,993 | 23.7 | -1,146 | -0.8 | 37,139 | 24.4 |
| 1981-82 | 41,499 | 23.6 | -660 | -0.4 | 42,159 | 24.0 |
| 1982-83 | 45,463 | 24.0 | -4,711 | -2.5 | 50,174 | 26.5 |
| 1983-84 | 49,981 | 23.4 | -8,144 | -3.8 | 58,125 | 27.2 |
| 1984-85 | 58,817 | 25.0 | -6,959 | -3.0 | 65,776 | 28.0 |
| 1985-86 | 66,206 | 25.4 | -5,932 | -2.3 | 72,138 | 27.7 |
| 1986-87 | 74,724 | 26.1 | -2,979 | -1.0 | 77,703 | 27.2 |
| 1987-88 | 83,491 | 25.8 | 2,109 | 0.7 | 81,382 | 25.1 |
| 1988-89 | 90,748 | 24.7 | 5,589 | 1.5 | 85,159 | 23.2 |
| 1989-90 | 98,625 | 24.4 | 7,159 | 1.8 | 91,466 | 22.6 |
| 1990-91 | 100,227 | 24.2 | 1,125 | 0.3 | 99,102 | 23.9 |
| 1991-92 | 95,840 | 22.7 | -10,475 | -2.5 | 106,315 | 25.1 |
| 1992-93 | 97,633 | 22.0 | -15,647 | -3.5 | 113,280 | 25.5 |
| 1993-94 | 103,824 | 22.2 | -14,738 | -3.2 | 118,562 | 25.4 |
| 1994-95 | 113,458 | 22.9 | -12,614 | -2.5 | 126,072 | 25.4 |
| 1995-96 | 124,429 | 23.5 | -5,921 | -1.1 | 130,350 | 24.6 |
| 1996-97 | 133,592 | 24.0 | 1,142 | 0.2 | 132,450 | 23.8 |
| 1997-98 | 140,736 | 23.9 | 15,303 | 2.6 | 125,433 | 21.3 |
| 1998-99 | 152,063 | 24.5 | 10,837 | 1.7 | 141,226 | 22.8 |
| 1999-00 | 166,199 | 25.2 | 22,507 | 3.4 | 143,692 | 21.7 |
| 2000-01 | 182,996 | 25.9 | 11,545 | 1.6 | 171,451 | 24.3 |
| 2001-02 | 187,588 | 24.9 | 2,355 | 0.3 | 185,233 | 24.6 |
| 2002-03 | 204,613 | 25.5 | 7,141 | 0.9 | 197,472 | 24.7 |
| 2003-04 | 217,775 | 25.3 | 7,538 | 0.9 | 210,237 | 24.4 |
| 2004-05 | 235,984 | 25.6 | 12,438 | 1.3 | 223,546 | 24.2 |
| 2005-06 | 255,943 | 25.6 | 14,160 | 1.4 | 241,783 | 24.2 |
| 2006-07 | 272,637 | 25.1 | 26,720 | 2.5 | 245,918 | 22.6 |
| 2007-08 | 294,917 | 25.0 | 28,181 | 2.4 | 266,735 | 22.6 |
| 2008-09 | 292,600 | 23.3 | -31,336 | -2.5 | 323,935 | 25.7 |
| 2009-10 | 284,662 | 22.0 | -56,516 | -4.4 | 341,178 | 26.3 |

**Table B3: Australian Government general government sector call on resources^(a)
(continued)**

| | Receipts(b) | | Headline cash balance(c) | | Call on resources(d) | |
|---------|-------------|----------|--------------------------|----------|----------------------|----------|
| | | Per cent | | Per cent | | Per cent |
| | \$m | of GDP | \$m | of GDP | \$m | of GDP |
| 2010-11 | 302,024 | 21.5 | -51,106 | -3.6 | 353,130 | 25.1 |
| 2011-12 | 329,874 | 22.2 | -47,023 | -3.2 | 376,898 | 25.3 |
| 2012-13 | 351,052 | 23.1 | -20,954 | -1.4 | 372,006 | 24.5 |
| 2013-14 | 360,322 | 22.8 | -52,479 | -3.3 | 412,801 | 26.1 |
| 2014-15 | 378,301 | 23.5 | -38,936 | -2.4 | 417,237 | 25.9 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Receipts are identical to those in Table B1.

(c) Headline cash balance is equal to receipts less payments, plus net cash flows from investments in financial assets for policy purposes. Headline cash balance is identical to those in Table B2.

(d) Call on resources is equal to receipts less headline cash balance. The call on resources series provides a measure of the aggregate level of receipts (both tax and non-tax) and borrowings required to fund government activities.

Table B4: Australian Government general government sector taxation receipts, non-taxation receipts and total receipts^(a)

| | Taxation receipts | | Non-taxation receipts | | Total receipts(b) | |
|---------|-------------------|-----------------|-----------------------|-----------------|-------------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent of GDP | \$m | Per cent of GDP |
| 1970-71 | 7,193 | 17.9 | 1,097 | 2.7 | 8,290 | 20.6 |
| 1971-72 | 7,895 | 17.8 | 1,240 | 2.8 | 9,135 | 20.5 |
| 1972-73 | 8,411 | 16.9 | 1,324 | 2.7 | 9,735 | 19.6 |
| 1973-74 | 10,832 | 18.0 | 1,396 | 2.3 | 12,228 | 20.3 |
| 1974-75 | 14,141 | 19.9 | 1,502 | 2.1 | 15,643 | 22.0 |
| 1975-76 | 16,920 | 20.3 | 1,807 | 2.2 | 18,727 | 22.5 |
| 1976-77 | 19,714 | 20.5 | 2,176 | 2.3 | 21,890 | 22.8 |
| 1977-78 | 21,428 | 20.4 | 2,591 | 2.5 | 24,019 | 22.9 |
| 1978-79 | 23,409 | 19.8 | 2,720 | 2.3 | 26,129 | 22.1 |
| 1979-80 | 27,473 | 20.5 | 2,848 | 2.1 | 30,321 | 22.6 |
| 1980-81 | 32,641 | 21.5 | 3,352 | 2.2 | 35,993 | 23.7 |
| 1981-82 | 37,880 | 21.6 | 3,619 | 2.1 | 41,499 | 23.6 |
| 1982-83 | 41,025 | 21.7 | 4,438 | 2.3 | 45,463 | 24.0 |
| 1983-84 | 44,849 | 21.0 | 5,132 | 2.4 | 49,981 | 23.4 |
| 1984-85 | 52,970 | 22.5 | 5,847 | 2.5 | 58,817 | 25.0 |
| 1985-86 | 58,841 | 22.6 | 7,365 | 2.8 | 66,206 | 25.4 |
| 1986-87 | 66,467 | 23.3 | 8,257 | 2.9 | 74,724 | 26.1 |
| 1987-88 | 75,076 | 23.2 | 8,415 | 2.6 | 83,491 | 25.8 |
| 1988-89 | 83,452 | 22.7 | 7,296 | 2.0 | 90,748 | 24.7 |
| 1989-90 | 90,773 | 22.5 | 7,852 | 1.9 | 98,625 | 24.4 |
| 1990-91 | 92,739 | 22.4 | 7,488 | 1.8 | 100,227 | 24.2 |
| 1991-92 | 87,364 | 20.7 | 8,476 | 2.0 | 95,840 | 22.7 |
| 1992-93 | 88,760 | 20.0 | 8,873 | 2.0 | 97,633 | 22.0 |
| 1993-94 | 93,362 | 20.0 | 10,462 | 2.2 | 103,824 | 22.2 |
| 1994-95 | 104,921 | 21.2 | 8,537 | 1.7 | 113,458 | 22.9 |
| 1995-96 | 115,700 | 21.9 | 8,729 | 1.6 | 124,429 | 23.5 |
| 1996-97 | 124,559 | 22.4 | 9,033 | 1.6 | 133,592 | 24.0 |
| 1997-98 | 130,984 | 22.2 | 9,752 | 1.7 | 140,736 | 23.9 |
| 1998-99 | 138,420 | 22.3 | 13,643 | 2.2 | 152,063 | 24.5 |
| 1999-00 | 151,313 | 22.9 | 14,887 | 2.3 | 166,199 | 25.2 |
| 2000-01 | 170,354 | 24.2 | 12,641 | 1.8 | 182,996 | 25.9 |
| 2001-02 | 175,108 | 23.2 | 12,481 | 1.7 | 187,588 | 24.9 |
| 2002-03 | 192,131 | 24.0 | 12,482 | 1.6 | 204,613 | 25.5 |
| 2003-04 | 206,091 | 23.9 | 11,683 | 1.4 | 217,775 | 25.3 |
| 2004-05 | 223,314 | 24.2 | 12,669 | 1.4 | 235,984 | 25.6 |
| 2005-06 | 241,215 | 24.2 | 14,728 | 1.5 | 255,943 | 25.6 |
| 2006-07 | 257,392 | 23.7 | 15,245 | 1.4 | 272,637 | 25.1 |
| 2007-08 | 278,376 | 23.6 | 16,540 | 1.4 | 294,917 | 25.0 |
| 2008-09 | 272,627 | 21.7 | 19,973 | 1.6 | 292,600 | 23.3 |
| 2009-10 | 260,973 | 20.1 | 23,689 | 1.8 | 284,662 | 22.0 |

Table B4: Australian Government general government sector taxation receipts, non-taxation receipts and total receipts^(a) (continued)

| | Taxation receipts | | Non-taxation receipts | | Total receipts(b) | |
|---------|-------------------|-----------------|-----------------------|-----------------|-------------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent of GDP | \$m | Per cent of GDP |
| 2010-11 | 280,839 | 19.9 | 21,185 | 1.5 | 302,024 | 21.5 |
| 2011-12 | 309,943 | 20.8 | 19,931 | 1.3 | 329,874 | 22.2 |
| 2012-13 | 326,426 | 21.5 | 24,627 | 1.6 | 351,052 | 23.1 |
| 2013-14 | 338,368 | 21.4 | 21,954 | 1.4 | 360,322 | 22.8 |
| 2014-15 | 351,675 | 21.8 | 26,626 | 1.7 | 378,301 | 23.5 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Receipts are equal to cash receipts from operating activities and sales of non-financial assets. Receipts are identical to Table B1.

Table B5: Australian Government general government sector net debt and net interest payments^(a)

| | Net debt(b) | | Net interest payments(c) | |
|---------|-------------|-----------------|--------------------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent of GDP |
| 1970-71 | 344 | 0.9 | -189 | -0.5 |
| 1971-72 | -496 | -1.1 | -245 | -0.6 |
| 1972-73 | -790 | -1.6 | -252 | -0.5 |
| 1973-74 | -1,851 | -3.1 | -286 | -0.5 |
| 1974-75 | -1,901 | -2.7 | -242 | -0.3 |
| 1975-76 | -341 | -0.4 | -330 | -0.4 |
| 1976-77 | 898 | 0.9 | -62 | -0.1 |
| 1977-78 | 2,896 | 2.8 | 4 | 0.0 |
| 1978-79 | 4,983 | 4.2 | 254 | 0.2 |
| 1979-80 | 6,244 | 4.6 | 440 | 0.3 |
| 1980-81 | 6,356 | 4.2 | 620 | 0.4 |
| 1981-82 | 5,919 | 3.4 | 680 | 0.4 |
| 1982-83 | 9,151 | 4.8 | 896 | 0.5 |
| 1983-84 | 16,015 | 7.5 | 1,621 | 0.8 |
| 1984-85 | 21,896 | 9.3 | 2,813 | 1.2 |
| 1985-86 | 26,889 | 10.3 | 3,952 | 1.5 |
| 1986-87 | 29,136 | 10.2 | 4,762 | 1.7 |
| 1987-88 | 27,344 | 8.4 | 4,503 | 1.4 |
| 1988-89 | 21,981 | 6.0 | 4,475 | 1.2 |
| 1989-90 | 16,123 | 4.0 | 4,549 | 1.1 |
| 1990-91 | 16,915 | 4.1 | 3,636 | 0.9 |
| 1991-92 | 31,041 | 7.3 | 3,810 | 0.9 |
| 1992-93 | 55,218 | 12.4 | 3,986 | 0.9 |
| 1993-94 | 70,223 | 15.0 | 5,628 | 1.2 |
| 1994-95 | 83,492 | 16.8 | 7,292 | 1.5 |
| 1995-96 | 95,831 | 18.1 | 8,861 | 1.7 |
| 1996-97 | 96,281 | 17.3 | 9,489 | 1.7 |
| 1997-98 | 82,935 | 14.1 | 8,279 | 1.4 |
| 1998-99 | 72,065 | 11.6 | 8,649 | 1.4 |
| 1999-00 | 53,869 | 8.2 | 7,514 | 1.1 |
| 2000-01 | 42,719 | 6.1 | 6,195 | 0.9 |
| 2001-02 | 38,180 | 5.1 | 5,352 | 0.7 |
| 2002-03 | 29,047 | 3.6 | 3,758 | 0.5 |
| 2003-04 | 22,639 | 2.6 | 3,040 | 0.4 |
| 2004-05 | 10,741 | 1.2 | 2,502 | 0.3 |
| 2005-06 | -4,531 | -0.5 | 2,303 | 0.2 |
| 2006-07 | -29,150 | -2.7 | 228 | 0.0 |
| 2007-08 | -44,820 | -3.8 | -1,015 | -0.1 |
| 2008-09 | -16,148 | -1.3 | -1,196 | -0.1 |
| 2009-10 | 42,283 | 3.3 | 2,386 | 0.2 |

Table B5: Australian Government general government sector net debt and net interest payments^(a) (continued)

| | Net debt(b) | | Net interest payments(c) | |
|---------|-------------|-----------------|--------------------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent of GDP |
| 2010-11 | 84,551 | 6.0 | 4,608 | 0.3 |
| 2011-12 | 147,334 | 9.9 | 6,609 | 0.4 |
| 2012-13 | 152,982 | 10.1 | 8,285 | 0.5 |
| 2013-14 | 202,463 | 12.8 | 10,843 | 0.7 |
| 2014-15 | 238,721 | 14.8 | 10,868 | 0.7 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Net debt is equal to the sum of deposits held, government securities, loans and other borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

(c) Net interest payments are equal to the difference between interest paid and interest receipts.

Table B6: Australian Government general government sector face value of Commonwealth Government Securities (CGS) on issue and interest paid^(a)

| | Face value of CGS on issue | | | | | |
|---------|----------------------------|--------------------|-------------------------------------|--------------------|------------------|--------------------|
| | Total CGS on issue(b) | | Subject to Treasurer's direction(c) | | Interest paid(d) | |
| | End of year \$m | Per cent of GDP | End of year \$m | Per cent of GDP | \$m | Per cent of GDP |
| 1970-71 | 10,887 | 27.0 | - | - | 580 | 1.4 |
| 1971-72 | 11,490 | 25.8 | - | - | 614 | 1.4 |
| 1972-73 | 12,217 | 24.6 | - | - | 675 | 1.4 |
| 1973-74 | 12,809 | 21.3 | - | - | 712 | 1.2 |
| 1974-75 | 14,785 | 20.8 | - | - | 893 | 1.3 |
| 1975-76 | 17,940 | 21.6 | - | - | 1,001 | 1.2 |
| 1976-77 | 20,845 | 21.7 | - | - | 1,485 | 1.5 |
| 1977-78 | 23,957 | 22.9 | - | - | 1,740 | 1.7 |
| 1978-79 | 28,120 | 23.7 | - | - | 2,080 | 1.8 |
| 1979-80 | 29,321 | 21.8 | - | - | 2,356 | 1.8 |
| 1980-81 | 30,189 | 19.9 | - | - | 2,723 | 1.8 |
| 1981-82 | 31,060 | 17.7 | - | - | 3,058 | 1.7 |
| 1982-83 | 37,071 | 19.6 | - | - | 3,580 | 1.9 |
| 1983-84 | 45,437 | 21.3 | - | - | 4,558 | 2.1 |
| 1984-85 | 54,420 | 23.2 | - | - | 5,952 | 2.5 |
| 1985-86 | 63,089 | 24.2 | - | - | 7,394 | 2.8 |
| 1986-87 | 67,172 | 23.5 | - | - | 8,339 | 2.9 |
| 1987-88 | 62,794 | 19.4 | - | - | 8,139 | 2.5 |
| 1988-89 | 56,854 | 15.5 | - | - | 8,222 | 2.2 |
| 1989-90 | 48,399 | 12.0 | - | - | 8,064 | 2.0 |
| 1990-91 | 48,723 | 11.7 | - | - | 6,994 | 1.7 |
| 1991-92 | 58,826 | 13.9 | - | - | 6,819 | 1.6 |
| 1992-93 | 76,509 | 17.2 | - | - | 6,487 | 1.5 |
| 1993-94 | 90,889 | 19.5 | - | - | 7,709 | 1.7 |
| 1994-95 | 105,466 | 21.3 | - | - | 9,144 | 1.8 |
| 1995-96 | 110,166 | 20.8 | - | - | 10,325 | 2.0 |
| 1996-97 | 111,067 | 20.0 | - | - | 10,653 | 1.9 |
| 1997-98 | 93,664 | 15.9 | - | - | 9,453 | 1.6 |
| 1998-99 | 85,331 | 13.8 | - | - | 9,299 | 1.5 |
| 1999-00 | 75,536 | 11.4 | - | - | 8,509 | 1.3 |
| 2000-01 | 66,403 | 9.4 | - | - | 7,335 | 1.0 |
| 2001-02 | 63,004 | 8.4 | - | - | 6,270 | 0.8 |
| 2002-03 | 57,435 | 7.2 | - | - | 4,740 | 0.6 |
| 2003-04 | 54,750 | 6.4 | - | - | 4,096 | 0.5 |
| 2004-05 | 55,151 | 6.0 | - | - | 3,902 | 0.4 |
| 2005-06 | 54,070 | 5.4 | - | - | 4,628 | 0.5 |
| 2006-07 | 53,264 | 4.9 | - | - | 3,959 | 0.4 |
| 2007-08 | 55,442 | 4.7 | - | - | 3,754 | 0.3 |
| 2008-09 | 101,147 | 8.0 | 95,103 | 7.6 | 3,970 | 0.3 |
| 2009-10 | 147,133 | 11.4 | 141,806 | 10.9 | 6,411 | 0.5 |

Table B6: Australian Government general government sector face value of Commonwealth Government Securities (CGS) on issue and interest paid^(a) (continued)

| | Face value of CGS on issue | | | | | |
|---------|----------------------------|--------------------|-------------------------------------|--------------------|------------------|--------------------|
| | Total CGS on issue(b) | | Subject to Treasurer's direction(c) | | Interest paid(d) | |
| | End of year \$m | Per cent of GDP | End of year \$m | Per cent of GDP | \$m | Per cent of GDP |
| 2010-11 | 191,292 | 13.6 | 186,704 | 13.3 | 9,551 | 0.7 |
| 2011-12 | 233,976 | 15.7 | 229,389 | 15.4 | 10,875 | 0.7 |
| 2012-13 | 257,378 | 16.9 | 252,791 | 16.6 | 11,846 | 0.8 |
| 2013-14 | 319,481 | 20.2 | 316,952 | 20.0 | 13,972 | 0.9 |
| 2014-15 | 368,738 | 22.9 | 366,202 | 22.7 | 13,924 | 0.9 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Total CGS on issue includes CGS held on behalf of the States and the Northern Territory, but excludes Commonwealth holdings of CGS.

(c) The face value of CGS subject to the Treasurer's Direction excludes the stock and securities outlined in subsection 51JA(2A) of the *Commonwealth Inscribed Stock Act 1911*. These are the same stock and securities that were excluded from the previous legislative debt limit. CGS on issue subject to the Treasurer's Direction are not available prior to 2008-09 because the limit was first introduced in July 2008.

(d) Interest paid consists of all cash interest payments of the general government sector, including those relating to CGS on issue.

Table B7: Australian Government general government sector revenue, expenses, net capital investment and fiscal balance^(a)

| | Revenue | | Expenses | | Net capital investment | | Fiscal balance(b) | |
|---------|---------|----------|----------|----------|------------------------|----------|-------------------|----------|
| | | Per cent | | Per cent | | Per cent | | Per cent |
| | \$m | of GDP | \$m | of GDP | \$m | of GDP | \$m | of GDP |
| 1996-97 | 141,688 | 25.5 | 145,821 | 26.2 | 90 | 0.0 | -4,223 | -0.8 |
| 1997-98 | 146,820 | 24.9 | 148,652 | 25.2 | 147 | 0.0 | -1,979 | -0.3 |
| 1998-99 | 152,106 | 24.5 | 146,772 | 23.7 | 1,433 | 0.2 | 3,901 | 0.6 |
| 1999-00 | 167,304 | 25.3 | 155,558 | 23.5 | -69 | 0.0 | 11,815 | 1.8 |
| 2000-01 | 186,106 | 26.4 | 180,090 | 25.5 | 8 | 0.0 | 6,007 | 0.9 |
| 2001-02 | 190,432 | 25.3 | 192,984 | 25.6 | 382 | 0.1 | -2,935 | -0.4 |
| 2002-03 | 206,778 | 25.8 | 201,113 | 25.1 | 287 | 0.0 | 5,377 | 0.7 |
| 2003-04 | 222,042 | 25.8 | 215,235 | 25.0 | 660 | 0.1 | 6,148 | 0.7 |
| 2004-05 | 242,354 | 26.3 | 229,092 | 24.8 | 1,034 | 0.1 | 12,228 | 1.3 |
| 2005-06 | 260,569 | 26.1 | 241,665 | 24.2 | 2,498 | 0.3 | 16,406 | 1.6 |
| 2006-07 | 277,895 | 25.6 | 258,761 | 23.8 | 2,333 | 0.2 | 16,801 | 1.5 |
| 2007-08 | 303,402 | 25.7 | 279,862 | 23.7 | 2,593 | 0.2 | 20,948 | 1.8 |
| 2008-09 | 298,508 | 23.7 | 324,188 | 25.8 | 4,064 | 0.3 | -29,743 | -2.4 |
| 2009-10 | 292,387 | 22.6 | 339,829 | 26.2 | 6,433 | 0.5 | -53,875 | -4.2 |
| 2010-11 | 309,204 | 22.0 | 355,667 | 25.3 | 5,297 | 0.4 | -51,760 | -3.7 |
| 2011-12 | 337,324 | 22.7 | 377,220 | 25.4 | 4,850 | 0.3 | -44,746 | -3.0 |
| 2012-13 | 359,496 | 23.6 | 381,980 | 25.1 | 987 | 0.1 | -23,472 | -1.5 |
| 2013-14 | 374,151 | 23.7 | 414,047 | 26.2 | 3,850 | 0.2 | -43,746 | -2.8 |
| 2014-15 | 380,746 | 23.6 | 417,898 | 25.9 | 2,706 | 0.2 | -39,857 | -2.5 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Fiscal balance is equal to revenue less expenses less net capital investment.

Table B8: Australian Government general government sector net worth and net financial worth^(a)

| | Net worth(b) | | Net financial worth(c) | |
|---------|--------------|-----------------|------------------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent of GDP |
| 1999-00 | -7,046 | -1.1 | -67,036 | -10.1 |
| 2000-01 | -6,618 | -0.9 | -71,876 | -10.2 |
| 2001-02 | -11,655 | -1.5 | -78,032 | -10.4 |
| 2002-03 | -15,330 | -1.9 | -82,931 | -10.4 |
| 2003-04 | -1,152 | -0.1 | -72,389 | -8.4 |
| 2004-05 | 14,556 | 1.6 | -58,882 | -6.4 |
| 2005-06 | 17,971 | 1.8 | -59,763 | -6.0 |
| 2006-07 | 46,351 | 4.3 | -35,696 | -3.3 |
| 2007-08 | 70,859 | 6.0 | -14,690 | -1.2 |
| 2008-09 | 19,427 | 1.5 | -71,490 | -5.7 |
| 2009-10 | -45,938 | -3.5 | -144,485 | -11.2 |
| 2010-11 | -95,386 | -6.8 | -198,787 | -14.1 |
| 2011-12 | -247,208 | -16.6 | -355,834 | -23.9 |
| 2012-13 | -202,650 | -13.3 | -312,724 | -20.6 |
| 2013-14 | -256,045 | -16.2 | -370,331 | -23.4 |
| 2014-15 | -302,350 | -18.8 | -421,129 | -26.1 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Net worth is equal to total assets less total liabilities.

(c) Net financial worth is equal to financial assets less total liabilities.

Table B9: Australian Government general government sector accrual taxation revenue, non-taxation revenue and total revenue^(a)

| | Taxation revenue | | Non-taxation revenue | | Total revenue | |
|---------|------------------|-----------------|----------------------|-----------------|---------------|-----------------|
| | \$m | Per cent of GDP | \$m | Per cent of GDP | \$m | Per cent of GDP |
| 1999-00 | 153,408 | 23.2 | 13,896 | 2.1 | 167,304 | 25.3 |
| 2000-01 | 175,877 | 24.9 | 10,228 | 1.5 | 186,106 | 26.4 |
| 2001-02 | 178,154 | 23.6 | 12,278 | 1.6 | 190,432 | 25.3 |
| 2002-03 | 195,057 | 24.4 | 11,720 | 1.5 | 206,778 | 25.8 |
| 2003-04 | 209,833 | 24.4 | 12,209 | 1.4 | 222,042 | 25.8 |
| 2004-05 | 229,790 | 24.9 | 12,564 | 1.4 | 242,354 | 26.3 |
| 2005-06 | 245,047 | 24.6 | 15,522 | 1.6 | 260,569 | 26.1 |
| 2006-07 | 261,995 | 24.1 | 15,900 | 1.5 | 277,895 | 25.6 |
| 2007-08 | 285,903 | 24.3 | 17,500 | 1.5 | 303,402 | 25.7 |
| 2008-09 | 278,229 | 22.1 | 20,280 | 1.6 | 298,508 | 23.7 |
| 2009-10 | 267,620 | 20.7 | 24,767 | 1.9 | 292,387 | 22.6 |
| 2010-11 | 288,319 | 20.5 | 20,885 | 1.5 | 309,204 | 22.0 |
| 2011-12 | 315,994 | 21.2 | 21,330 | 1.4 | 337,324 | 22.7 |
| 2012-13 | 336,659 | 22.1 | 22,836 | 1.5 | 359,496 | 23.6 |
| 2013-14 | 351,290 | 22.2 | 22,862 | 1.4 | 374,151 | 23.7 |
| 2014-15 | 355,357 | 22.1 | 25,389 | 1.6 | 380,746 | 23.6 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

Table B10: Australian Government cash receipts, payments and surplus by institutional sector (\$m)^(a)

| | General government | | | Public non-financial corporations | | | Non-financial public sector | | |
|---------|--------------------|-------------|----------------------------|-----------------------------------|-------------|-----------------|-----------------------------|-------------|----------------------------|
| | Receipts(b) | Payments(c) | Underlying cash balance(d) | Receipts(b) | Payments(c) | Cash surplus(d) | Receipts(b) | Payments(c) | Underlying cash balance(d) |
| 1988-89 | 90,748 | 85,326 | 5,421 | 4,177 | 6,035 | 257 | 93,923 | 90,312 | 5,678 |
| 1989-90 | 98,625 | 92,684 | 5,942 | 3,926 | 11,322 | -5,261 | 101,495 | 102,883 | 681 |
| 1990-91 | 100,227 | 100,665 | -438 | 4,804 | 9,351 | -2,139 | 103,837 | 108,808 | -2,577 |
| 1991-92 | 95,840 | 108,472 | -12,631 | 3,899 | 7,713 | 101 | 97,937 | 114,369 | -12,530 |
| 1992-93 | 97,633 | 115,751 | -18,118 | 4,385 | 7,819 | -196 | 100,512 | 122,042 | -18,314 |
| 1993-94 | 103,824 | 122,009 | -18,185 | 5,178 | 6,476 | 1,482 | 106,747 | 126,214 | -16,703 |
| 1994-95 | 113,458 | 127,619 | -14,160 | 5,262 | 7,318 | 1,956 | 116,751 | 132,965 | -12,204 |
| 1995-96 | 124,429 | 135,538 | -11,109 | 4,927 | 8,190 | -527 | 126,593 | 140,963 | -11,636 |
| 1996-97 | 133,592 | 139,689 | -6,099 | 4,782 | 7,373 | 473 | 135,259 | 143,948 | -5,626 |
| 1997-98 | 140,736 | 140,587 | 149 | 6,238 | 7,923 | 1,119 | 144,517 | 145,985 | 1,268 |
| 1998-99 | 152,063 | 148,175 | 3,889 | na | na | -353 | na | na | 3,536 |
| 1999-00 | 166,199 | 153,192 | 13,007 | na | na | -2,594 | na | na | 10,413 |
| 2000-01 | 182,996 | 177,123 | 5,872 | na | na | 391 | na | na | 6,264 |
| 2001-02 | 187,588 | 188,655 | -1,067 | na | na | 1,210 | na | na | 143 |
| 2002-03 | 204,613 | 197,243 | 7,370 | 27,386 | 26,105 | 1,280 | na | na | 8,650 |
| 2003-04 | 217,775 | 209,785 | 7,990 | 27,718 | 26,142 | 1,575 | 238,236 | 228,669 | 9,564 |
| 2004-05 | 235,984 | 222,407 | 13,577 | 29,621 | 28,071 | 1,550 | 257,946 | 242,818 | 15,128 |
| 2005-06 | 255,943 | 240,136 | 15,757 | 30,875 | 31,874 | -999 | 278,254 | 263,445 | 14,759 |
| 2006-07 | 272,637 | 253,321 | 17,190 | 16,882 | 18,641 | -1,759 | 285,336 | 267,778 | 15,431 |
| 2007-08 | 294,917 | 271,843 | 19,754 | 7,758 | 8,232 | -473 | 300,503 | 277,903 | 19,281 |
| 2008-09 | 292,600 | 316,046 | -27,013 | 7,987 | 8,960 | -973 | 297,421 | 321,841 | -27,986 |
| 2009-10 | 284,662 | 336,900 | -54,494 | 8,419 | 9,341 | -922 | 290,681 | 343,841 | -55,416 |
| 2010-11 | 302,024 | 346,102 | -47,463 | 8,558 | 9,733 | -1,175 | 308,258 | 353,511 | -48,638 |
| 2011-12 | 329,874 | 371,032 | -43,360 | 8,845 | 10,847 | -2,002 | 336,122 | 379,282 | -45,362 |
| 2012-13 | 351,052 | 367,204 | -18,834 | 9,766 | 14,135 | -4,369 | 358,088 | 378,609 | -23,203 |
| 2013-14 | 360,322 | 406,430 | -48,456 | 11,042 | 16,322 | -5,280 | 368,521 | 419,910 | -53,737 |
| 2014-15 | 378,301 | 412,079 | -37,867 | 11,256 | 15,544 | -4,288 | 386,643 | 424,709 | -42,156 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Receipts are equal to receipts from operating activities and sales of non-financial assets.

(c) Payments are equal to payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases.

(d) These items exclude net Future Fund earnings from 2005-06 onwards. Net Future Fund earnings are shown in Table B1.

na Data not available.

Table B11: Australian Government accrual revenue, expenses and fiscal balance by institutional sector (\$m)^(a)

| | General government | | | Public non-financial corporations | | | Non-financial public sector | | |
|---------|--------------------|----------|-------------------|-----------------------------------|----------|-------------------|-----------------------------|----------|-------------------|
| | Revenue | Expenses | Fiscal balance(b) | Revenue | Expenses | Fiscal balance(b) | Revenue | Expenses | Fiscal balance(b) |
| 1996-97 | 141,688 | 145,821 | -4,223 | 27,431 | 26,015 | -331 | na | na | -4,554 |
| 1997-98 | 146,820 | 148,652 | -1,979 | 29,618 | 26,999 | 2,360 | na | na | 387 |
| 1998-99 | 152,106 | 146,772 | 3,901 | 27,687 | 26,088 | -816 | 175,891 | 168,958 | 3,085 |
| 1999-00 | 167,304 | 155,558 | 11,815 | 25,485 | 23,542 | 1,062 | 188,841 | 175,152 | 11,721 |
| 2000-01 | 186,106 | 180,090 | 6,007 | 25,869 | 24,762 | -826 | 207,367 | 200,246 | 5,181 |
| 2001-02 | 190,432 | 192,984 | -2,935 | 26,638 | 25,341 | 793 | 212,462 | 213,718 | -2,142 |
| 2002-03 | 206,778 | 201,113 | 5,377 | 24,339 | 22,916 | 1,975 | 225,989 | 218,944 | 7,311 |
| 2003-04 | 222,042 | 215,235 | 6,148 | 25,449 | 23,444 | 2,143 | 241,746 | 232,934 | 8,291 |
| 2004-05 | 242,354 | 229,092 | 12,228 | 26,965 | 25,191 | 1,473 | 263,434 | 248,398 | 13,700 |
| 2005-06 | 260,569 | 241,665 | 16,406 | 28,143 | 29,531 | -2,442 | 281,927 | 264,410 | 13,964 |
| 2006-07 | 277,895 | 258,761 | 16,801 | 15,443 | 16,360 | -1,763 | 289,551 | 271,335 | 15,038 |
| 2007-08 | 303,402 | 279,862 | 20,948 | 6,854 | 6,686 | -584 | 308,888 | 285,179 | 20,364 |
| 2008-09 | 298,508 | 324,188 | -29,743 | 6,998 | 7,576 | -1,495 | 303,309 | 329,566 | -31,238 |
| 2009-10 | 292,387 | 339,829 | -53,875 | 7,288 | 7,297 | -1,079 | 298,033 | 345,483 | -54,954 |
| 2010-11 | 309,204 | 355,667 | -51,760 | 7,563 | 7,787 | -1,446 | 315,001 | 361,689 | -53,205 |
| 2011-12 | 337,324 | 377,220 | -44,746 | 8,046 | 8,238 | -2,158 | 343,722 | 383,810 | -46,904 |
| 2012-13 | 359,496 | 381,980 | -23,472 | 8,863 | 9,415 | -4,189 | 366,642 | 389,678 | -27,661 |
| 2013-14 | 374,151 | 414,047 | -43,746 | 9,537 | 11,127 | -6,070 | 381,971 | 423,457 | -49,816 |
| 2014-15 | 380,746 | 417,898 | -39,857 | 9,987 | 11,850 | -4,856 | 389,011 | 428,025 | -44,713 |

(a) Data have been revised in the 2014-15 Final Budget Outcome to improve accuracy and comparability through time.

(b) Fiscal balance is equal to revenue less expenses less net capital investment. Net capital investment is not shown in this table.

na Data not available

Table 48: Other financial flows — estimated advances, repayment of advances and interest payments, 2014-15

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|---------|-----|--------|--------|--------|--------|---------|--------|---------|
| Advances | | | | | | | | | |
| Asbestos Removal in the ACT | - | - | - | - | - | - | 750,000 | - | 750,000 |
| Contingent liabilities | | | | | | | | | |
| Natural disaster relief | - | - | 7,037 | - | - | - | - | - | 7,037 |
| Repayments | | | | | | | | | |
| Contingent liabilities | | | | | | | | | |
| Natural disaster relief | -21 | - | -8,233 | - | - | - | - | - | -8,254 |
| Environment | | | | | | | | | |
| Northern Territory — water and sewerage assistance | - | - | - | - | - | - | - | -136 | -136 |
| Housing | | | | | | | | | |
| Commonwealth-State Housing | | | | | | | | | |
| Agreement loans | -37,096 | - | -9,920 | -9,424 | -2,463 | -5,028 | - | -792 | -64,723 |
| Housing for service personnel | -1,503 | - | -915 | -248 | -52 | - | - | - | -2,718 |
| Other housing | - | - | - | - | - | - | -7,755 | -2,702 | -10,457 |
| Payments to debt sinking funds | -101 | -1 | - | - | - | - | - | - | -102 |
| Infrastructure | | | | | | | | | |
| Railway projects | - | - | - | -1,251 | - | - | - | - | -1,251 |
| Sewerage | -7,703 | - | -1,919 | - | -1,037 | - | - | - | -10,659 |
| Other purposes | | | | | | | | | |
| Australian Capital Territory debt repayments | - | - | - | - | - | - | -555 | - | -555 |
| Loan Council — housing nominations | -8,580 | - | -3,157 | -5,473 | -3,590 | -2,301 | - | -2,856 | -25,957 |

Table 48: Other financial flows — estimated advances, repayment of advances and interest payments, 2014-15 (continued)

| \$'000 | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--|-----------------|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Interest | | | | | | | | | |
| Asbestos Removal in the ACT | - | - | - | - | - | - | -8,190 | - | -8,190 |
| Contingent liabilities | | | | | | | | | |
| Loan to NSW to assist beneficiaries of the | | | | | | | | | |
| Asbestos Injuries Compensation Fund | -1,943 | - | - | - | - | - | - | - | -1,943 |
| Natural disaster relief | -1,463 | - | -4,609 | - | - | - | - | - | -6,072 |
| Environment | | | | | | | | | |
| Northern Territory — water and sewerage assistance | - | - | - | - | - | - | - | -555 | -555 |
| Housing | | | | | | | | | |
| Commonwealth-State Housing | | | | | | | | | |
| Agreement loans | -28,423 | -2 | -7,957 | -7,583 | -2,415 | -3,856 | - | -1,188 | -51,424 |
| Housing for service personnel | -1,947 | - | -1,087 | -200 | -88 | - | - | - | -3,322 |
| Other housing | - | - | - | - | - | - | -6,969 | -2,918 | -9,887 |
| Infrastructure | | | | | | | | | |
| Railway projects | - | - | - | -77 | - | - | - | - | -77 |
| Sewerage | -534 | - | -157 | - | -185 | - | - | - | -876 |
| Other purposes | | | | | | | | | |
| Australian Capital Territory debt repayments | - | - | - | - | - | - | -836 | - | -836 |
| Loan Council — housing nominations | -18,173 | - | -6,520 | -11,137 | -7,896 | -4,808 | - | -6,362 | -54,896 |
| Net Financial Flow | -107,487 | -3 | -37,437 | -35,393 | -17,726 | -15,993 | 725,695 | -17,509 | 494,147 |