

# Final Budget Outcome

2018-19

September 2019

Statement by

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Treasurer of the Commonwealth of Australia

and

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Minister for Finance of the Commonwealth of Australia

For the information of honourable members

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## 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:
- figures under \$100,000 are rounded to the nearest thousand;
  - figures \$100,000 and over are generally rounded to the nearest tenth of a million;
  - figures 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) |
| ..      | not zero, but rounded to zero               |
| \$m     | millions of dollars                         |
| \$b     | billions of dollars                         |
| NEC/nec | not elsewhere classified                    |

- (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.

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## PREFACE

The Final Budget Outcome for 2018-19 has been prepared in a manner consistent with the *Charter of Budget Honesty Act 1998* (the Charter). The Charter requires that 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 2018-19 financial year and is based on external reporting standards.

- **Part 1** provides the general government sector budget aggregates for 2018-19 together with an analysis of the Final Budget Outcome for 2018-19. 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 2018-19 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 2018-19 on Australia's Federal Relations, updated from that contained in the 2019-20 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**.





# PART 1: AUSTRALIAN GOVERNMENT BUDGET OUTCOME 2018-19

## OVERVIEW

In 2018-19, the Australian Government general government sector recorded an underlying cash deficit of \$0.7 billion (0.0 per cent of gross domestic product (GDP)). The net operating balance was in surplus by \$8.7 billion (0.4 per cent of GDP).

The Final Budget Outcome for 2018-19 was a \$13.8 billion improvement compared with the underlying cash deficit estimated at the time of the 2018-19 Budget. This was the result of higher total receipts of \$11.5 billion and lower total payments of \$6.6 billion. Net Future Fund earnings, which are excluded from the underlying cash balance, were \$4.3 billion higher than expected at the time of the 2018-19 Budget.

In net operating terms, the outcome for 2018-19 was an \$11.1 billion improvement on the deficit of \$2.4 billion estimated at the time of the 2018-19 Budget, with revenue \$7.2 billion higher and expenses \$3.9 billion lower than the 2018-19 Budget estimates.

Real GDP grew by 1.9 per cent in 2018-19, softer than the 3 per cent growth forecast in the 2018-19 Budget following stronger-than-expected growth in 2017-18 of 2.9 per cent. Public final demand and net exports made more substantial contributions to growth than forecast, while growth in household consumption, dwelling investment and business investment was below forecast. Nominal GDP grew by 5.3 per cent in 2018-19, which was significantly stronger than the 2018-19 Budget forecast of 3¾ per cent. This was primarily the result of higher-than-assumed prices for key commodities, which more than offset the softer-than-expected real GDP growth.

Labour market conditions continued to be strong, with around 300,000 additional jobs created in 2018-19. Employment grew by 2.6 per cent through the year to the June quarter 2019, well above the 1½ per cent growth forecast in the 2018-19 Budget, which equates to over 100,000 more jobs than expected. With the participation rate rising to a record high of 66.0 per cent, the unemployment rate was 5.2 per cent in the June quarter 2019, in line with the 5¼ per cent forecast in the 2018-19 Budget. The Wage Price Index increased by 2.3 per cent through the year to the June quarter 2019, below the 2¾ per cent growth forecast in the 2018-19 Budget. Strong employment growth outcomes offset the softer-than-expected wage growth such that growth in compensation of employees was in line with the 2018-19 Budget forecast of 4½ per cent.

Australian Government general government sector net debt was \$373.6 billion (19.2 per cent of GDP) at the end of 2018-19, which was \$23.7 billion higher than estimated at the time of the 2018-19 Budget. This primarily reflects the higher market value of Australian Government Securities due to lower yields than expected at the 2018-19 Budget, notwithstanding lower borrowing needs. Australian Government

Part 1: Australian Government Budget Outcome

general government sector net financial worth was negative \$694.4 billion and net worth was negative \$543.5 billion at the end of 2018-19.

**Table 1: Australian Government general government sector budget aggregates**

	2017-18 Outcome	2018-19 Estimate at 2018-19 Budget	2018-19 Estimate at 2019-20 Budget	2018-19 Outcome	Change on 2018-19 Budget
	\$b	\$b	\$b	\$b	\$b
<b>Receipts</b>	<b>446.9</b>	<b>473.7</b>	<b>485.2</b>	<b>485.3</b>	<b>11.5</b>
Per cent of GDP	24.2	24.9	25.0	24.9	
<b>Payments(a)</b>	<b>452.7</b>	<b>484.6</b>	<b>482.7</b>	<b>478.1</b>	<b>-6.6</b>
Per cent of GDP	24.5	25.4	24.9	24.6	
Net Future Fund earnings	4.3	3.6	6.6	7.9	4.3
<b>Underlying cash balance(b)</b>	<b>-10.1</b>	<b>-14.5</b>	<b>-4.2</b>	<b>-0.7</b>	<b>13.8</b>
Per cent of GDP	-0.5	-0.8	-0.2	0.0	
<b>Revenue</b>	<b>456.3</b>	<b>486.1</b>	<b>495.8</b>	<b>493.3</b>	<b>7.2</b>
Per cent of GDP	24.7	25.5	25.6	25.3	
<b>Expenses</b>	<b>460.3</b>	<b>488.6</b>	<b>487.3</b>	<b>484.7</b>	<b>-3.9</b>
Per cent of GDP	24.9	25.7	25.1	24.9	
<b>Net operating balance</b>	<b>-4.0</b>	<b>-2.4</b>	<b>8.5</b>	<b>8.7</b>	<b>11.1</b>
Per cent of GDP	-0.2	-0.1	0.4	0.4	
Net capital investment	1.3	5.0	6.5	6.1	1.1
<b>Fiscal balance</b>	<b>-5.3</b>	<b>-7.4</b>	<b>2.0</b>	<b>2.6</b>	<b>10.0</b>
Per cent of GDP	-0.3	-0.4	0.1	0.1	
<i>Memorandum item:</i>					
Headline cash balance	-25.9	-27.6	-12.7	-7.2	20.4

(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 2018-19 underlying cash deficit was \$0.7 billion, an improvement of \$13.8 billion compared with the estimate at the time of the 2018-19 Budget. This improvement was the result of higher total receipts of \$11.5 billion and lower total payments of \$6.6 billion. Net Future Fund earnings, which are excluded from the underlying cash balance, were \$4.3 billion higher than expected at the time of the 2018-19 Budget.

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

	2018-19 Estimate at 2018-19 Budget \$b	2018-19 Estimate at 2019-20 Budget \$b	2018-19 Outcome \$b	Change on 2018-19 Budget \$b
<b>Cash receipts</b>				
Operating cash receipts	473.0	484.5	484.7	11.7
Capital cash receipts(a)	0.7	0.6	0.6	-0.1
<b>Total cash receipts</b>	<b>473.7</b>	<b>485.2</b>	<b>485.3</b>	<b>11.5</b>
<b>Cash payments</b>				
Operating cash payments	470.7	467.9	463.4	-7.2
Capital cash payments(b)	14.0	14.9	14.7	0.7
<b>Total cash payments</b>	<b>484.6</b>	<b>482.7</b>	<b>478.1</b>	<b>-6.6</b>
<b>GFS cash surplus(+)/deficit(-)</b>	<b>-10.9</b>	<b>2.4</b>	<b>7.2</b>	<b>18.1</b>
Per cent of GDP	-0.6	0.1	0.4	
<i>less</i> Finance leases and similar arrangements(c)	0.0	0.0	0.0	0.0
<i>less</i> Net Future Fund earnings	3.6	6.6	7.9	4.3
<b>Underlying cash balance(d)</b>	<b>-14.5</b>	<b>-4.2</b>	<b>-0.7</b>	<b>13.8</b>
Per cent of GDP	-0.8	-0.2	0.0	
<i>Memorandum items:</i>				
Net cash flows from investments in financial assets for policy purposes	-16.7	-15.1	-14.4	2.3
<i>plus</i> Net Future Fund earnings	3.6	6.6	7.9	4.3
<b>Headline cash balance</b>	<b>-27.6</b>	<b>-12.7</b>	<b>-7.2</b>	<b>20.4</b>

(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 worsens the underlying cash balance. The disposal of assets previously held under finance leases improves the underlying cash balance.

(d) Excludes net Future Fund earnings.

## Receipts

Total receipts for 2018-19 were \$485.3 billion, \$11.5 billion higher than forecast in the 2018-19 Budget. Total receipts excluding Future Fund receipts were \$477.0 billion, \$7.3 billion higher than estimated at the time of the 2018-19 Budget.

Tax receipts for 2018-19 were \$448.6 billion, \$8.1 billion higher than the estimate at the 2018-19 Budget. Compared with the 2018-19 Budget, total individuals and other withholding taxes and company tax receipts were stronger-than-expected. This was partially offset by weaker-than-expected goods and services tax (GST) receipts.

- Receipts from total individuals and other withholding taxes were \$5.7 billion (2.6 per cent) above the 2018-19 Budget estimate. This was driven by stronger-than-expected income tax withholding receipts (\$3.0 billion above the 2018-19 Budget estimate), consistent with higher-than-expected employment growth. It was also driven by gross other individuals tax receipts (\$1.7 billion above the 2018-19 Budget estimate), reflecting higher-than-expected capital gains and dividend income.

*Part 1: Australian Government Budget Outcome*

- Company tax receipts were \$4.6 billion (5.1 per cent) above the 2018-19 Budget estimate, consistent with higher-than-expected growth in corporate profits, mainly mining profits.
- Receipts from superannuation fund taxes were \$1.0 billion (9.3 per cent) above the 2018-19 Budget estimate, largely reflecting higher-than-expected outcomes from superannuation funds relating to the 2017-18 income year.
- Receipts from the GST were \$2.3 billion (3.4 per cent) below the 2018-19 Budget estimate, owing to lower-than-expected growth in household consumption and dwelling investment.

Non-tax receipts were \$36.7 billion in 2018-19, \$3.4 billion higher than estimated at the time of the 2018-19 Budget. Excluding Future Fund receipts, non-tax receipts were \$28.4 billion, \$0.8 billion lower than estimated at the time of the 2018-19 Budget. This decrease largely reflects lower-than-estimated contributions to the National Disability Insurance Scheme (NDIS) from states and territories, as a result of the slower-than-expected transition of participants into the NDIS.

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

	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
Individuals and other withholding taxes				
Gross income tax withholding	201,800	205,800	204,764	2,964
Gross other individuals	46,700	46,700	48,423	1,723
less: Refunds	30,500	29,500	29,514	-986
Total individuals and other withholding tax	218,000	223,000	223,673	5,673
Fringe benefits tax	4,220	3,760	3,794	-426
Company tax	89,100	93,700	93,660	4,560
Superannuation fund taxes	10,310	11,360	11,269	959
Petroleum resource rent tax(a)	1,350	1,150	1,053	-297
<b>Income taxation receipts</b>	<b>322,980</b>	<b>332,970</b>	<b>333,449</b>	<b>10,469</b>
Goods and services tax	67,527	65,783	65,204	-2,323
Wine equalisation tax	990	1,010	982	-8
Luxury car tax	740	640	675	-65
Excise and customs duty				
Petrol	6,200	6,000	6,028	-172
Diesel	11,330	11,550	11,584	254
Other fuel products	2,040	2,220	2,174	134
Tobacco	12,530	12,850	12,130	-400
Beer	2,440	2,460	2,478	38
Spirits	2,290	2,320	2,392	102
Other alcoholic beverages(b)	1,000	990	993	-7
Other customs duty				
Textiles, clothing and footwear	190	200	208	18
Passenger motor vehicles	530	450	449	-81
Other imports	1,260	1,320	1,313	53
less: Refunds and drawbacks	420	600	523	103
Total excise and customs duty	39,390	39,760	39,226	-164
Major bank levy	1,600	1,550	1,560	-40
Agricultural levies	576	541	556	-20
Other taxes	6,677	6,567	6,926	249
<b>Indirect taxation receipts</b>	<b>117,500</b>	<b>115,851</b>	<b>115,130</b>	<b>-2,371</b>
<b>Taxation receipts</b>	<b>440,480</b>	<b>448,821</b>	<b>448,579</b>	<b>8,098</b>

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

	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
Sales of goods and services	14,551	13,467	12,863	-1,688
Interest received	4,257	4,412	3,803	-454
Dividends	3,970	7,175	8,943	4,973
Other non-taxation receipts	10,487	11,290	11,099	611
<b>Non-taxation receipts</b>	<b>33,265</b>	<b>36,344</b>	<b>36,707</b>	<b>3,442</b>
<b>Total receipts</b>	<b>473,745</b>	<b>485,165</b>	<b>485,286</b>	<b>11,540</b>
<i>Memorandum:</i>				
<i>Total excise</i>	<i>23,090</i>	<i>23,240</i>	<i>23,300</i>	<i>210</i>
<i>Total customs duty</i>	<i>16,300</i>	<i>16,520</i>	<i>15,926</i>	<i>-374</i>

(a) This item includes an amount of MRRT receipts which has not been separately disclosed owing to taxpayer confidentiality.

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

## Payments

Total cash payments in 2018-19 were \$478.1 billion, \$6.6 billion lower than estimated at the time of the 2018-19 Budget. Total payments excluding Future Fund payments were \$477.7 billion, \$6.4 billion lower than estimated at the time of the 2018-19 Budget.

This outcome primarily reflects lower-than-estimated:

- payments under the NDIS reflecting slower than expected transition of participants into the NDIS and lower utilisation of participants' individual support packages, which was largely reflected in the estimates at the 2018-19 MYEFO and the 2019-20 Budget (\$4.6 billion);
- payments related to the provision of GST to the states and territories consistent with lower GST receipts, partly offset by the 2019-20 GST transitional top-up payment made in 2018-19 (\$1.4 billion);
- payments under the DisabilityCare Australia Fund (DCAF) as a result of ongoing negotiations on a DCAF National Partnership Agreement and reflecting payment schedules agreed with the states (\$1.3 billion); and
- Family Tax Benefit payments reflecting lower-than-expected annual average payment rates and reconciliation payments due to higher-than-projected income growth (\$0.7 billion).

The outcome also reflects increases in payments across a range of programs including increased payments under Local Government Financial Assistance Grants (\$1.3 billion) to support local governments, particularly in areas affected by severe or unexpected weather events, and increased payments under the Pharmaceutical Benefits Scheme (\$0.7 billion) largely reflecting new and amended listings on the scheme.

### **Net Future Fund earnings**

The underlying cash balance excludes net Future Fund earnings. Net Future Fund earnings were \$7.9 billion in 2018-19, \$4.3 billion higher than estimated at the time of the 2018-19 Budget, largely reflecting higher than estimated investment earnings.

### **NET OPERATING BALANCE**

The 2018-19 net operating surplus was \$8.7 billion, an \$11.1 billion improvement on the deficit of \$2.4 billion estimated at the time of the 2018-19 Budget. The 2018-19 fiscal balance surplus was \$2.6 billion, a \$10.0 billion improvement on the deficit of \$7.4 billion estimated at the time of the 2018-19 Budget.

The cash receipt and payment variations outlined above have a similar impact on revenue and expenses since net operating, fiscal and cash variances are typically driven by the same factors.

### **Revenue**

Total revenue was \$493.3 billion in 2018-19, \$7.2 billion higher than estimated at the time of the 2018-19 Budget. In comparison, total cash receipts were \$485.3 billion, \$11.5 billion higher than estimated at the time of the 2018-19 Budget.

Taxation revenue was \$456.1 billion in 2018-19, \$4.1 billion higher than the estimate at the 2018-19 Budget. Changes in taxation revenue were driven by the same revenue heads as receipts.

Total non-tax revenue was \$37.3 billion in 2018-19, \$3.1 billion higher than estimated at the 2018-19 Budget. Non-tax receipts were \$36.7 billion in 2018-19, \$3.4 billion higher than estimated at the time of the 2018-19 Budget. The \$0.3 billion difference in the size of the variance for non-tax revenue and non-tax receipts largely reflects timing differences between the recognition of revenue and the corresponding receipt.

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

	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
Individuals and other withholding taxes				
Gross income tax withholding	203,800	207,600	206,405	2,605
Gross other individuals	49,600	50,200	51,555	1,955
<i>less: Refunds</i>	30,500	29,500	29,514	-986
Total individuals and other withholding tax	222,900	228,300	228,445	5,545
Fringe benefits tax	4,310	3,870	3,893	-417
Company tax	91,200	95,600	94,713	3,513
Superannuation fund taxes	10,360	11,320	10,910	550
Petroleum resource rent tax(a)	1,420	1,250	1,202	-218
<b>Income taxation revenue</b>	<b>330,190</b>	<b>340,340</b>	<b>339,163</b>	<b>8,973</b>
Goods and services tax	70,310	68,065	66,385	-3,925
Wine equalisation tax	1,010	1,030	995	-15
Luxury car tax	740	640	688	-52
Excise and customs duty				
Petrol	6,210	6,010	6,078	-132
Diesel	11,350	11,570	11,679	329
Other fuel products	2,040	2,220	2,188	148
Tobacco	12,720	12,850	12,147	-573
Beer	2,440	2,560	2,495	55
Spirits	2,290	2,320	2,397	107
Other alcoholic beverages(b)	1,000	990	1,001	1
Other customs duty				
Textiles, clothing and footwear	190	200	208	18
Passenger motor vehicles	530	450	449	-81
Other imports	1,270	1,320	1,313	43
<i>less: Refunds and drawbacks</i>	420	600	523	103
Total excise and customs duty	39,620	39,890	39,432	-188
Major bank levy	1,700	1,560	1,566	-134
Agricultural levies	575	542	563	-13
Other taxes	7,856	7,018	7,280	-575
<b>Indirect taxation revenue</b>	<b>121,811</b>	<b>118,745</b>	<b>116,908</b>	<b>-4,903</b>
<b>Taxation revenue</b>	<b>452,001</b>	<b>459,085</b>	<b>456,072</b>	<b>4,070</b>
Sales of goods and services	14,490	13,455	12,488	-2,001
Interest	4,442	4,837	4,477	35
Dividends	4,126	7,718	9,587	5,461
Other non-taxation revenue	11,082	10,701	10,722	-361
<b>Non-taxation revenue</b>	<b>34,140</b>	<b>36,711</b>	<b>37,274</b>	<b>3,134</b>
<b>Total revenue</b>	<b>486,141</b>	<b>495,796</b>	<b>493,346</b>	<b>7,204</b>
<i>Memorandum:</i>				
<i>Total excise</i>	23,120	23,370	23,488	368
<i>Total customs duty</i>	16,500	16,520	15,944	-556

(a) This item includes an amount of MRRRT revenue which has not been separately disclosed owing to taxpayer confidentiality.

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



### **Expenses and net capital investment**

Total expenses were \$484.7 billion in 2018-19, \$3.9 billion lower than estimated at the time of the 2018-19 Budget. Total net capital investment for 2018-19 was \$6.1 billion, \$1.1 billion higher than the estimate of \$5.0 billion at the time of the 2018-19 Budget. This results in a lower-than-estimated net outcome for expenses and net capital investment of \$2.8 billion compared to the 2018-19 Budget.

In comparison, cash payments were \$478.1 billion in 2018-19, \$6.6 billion lower than estimated at the time of the 2018-19 Budget.

The difference of \$3.8 billion between the lower-than-estimated net outcome for expenses and net capital investment and the lower-than-estimated outcome for cash payments is primarily due to differences in the accounting treatment of expenses and the associated cash flow, including for the Government superannuation programs.

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

**Table 5: Australian Government general government sector expenses by function**

	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
<b>General public services</b>				
Legislative and executive affairs	1,484	1,533	1,644	160
Financial and fiscal affairs	7,101	6,922	7,729	628
Foreign affairs and economic aid	5,798	5,750	5,756	-42
General research	2,995	3,012	2,859	-136
General services	681	665	790	109
Government superannuation benefits	5,007	8,166	7,442	2,435
<b>Defence</b>	31,215	31,014	30,798	-416
<b>Public order and safety</b>	5,324	5,760	5,774	450
<b>Education</b>	34,736	34,773	34,542	-193
<b>Health</b>	78,825	80,569	80,196	1,370
<b>Social security and welfare</b>	175,971	172,749	170,046	-5,926
<b>Housing and community amenities</b>	5,382	5,278	5,014	-368
<b>Recreation and culture</b>	3,638	3,988	3,982	344
<b>Fuel and energy</b>	7,541	7,956	7,698	156
<b>Agriculture, forestry and fishing</b>	3,070	3,149	2,611	-459
<b>Mining, manufacturing and construction</b>	3,260	2,592	2,505	-755
<b>Transport and communication</b>	9,062	8,105	8,125	-937
<b>Other economic affairs</b>				
Tourism and area promotion	164	163	174	10
Total labour and employment affairs	3,782	3,864	3,754	-28
Immigration	3,048	3,761	3,404	356
Other economic affairs nec	2,476	2,492	2,382	-94
<b>Other purposes</b>				
Public debt interest	17,811	17,154	17,100	-711
Nominal superannuation interest	10,648	9,447	9,736	-912
General purpose inter-government transactions	69,446	69,698	69,186	-260
Natural disaster relief	17	775	1,405	1,388
Contingency reserve	101	-1,993	0	-101
<b>Total expenses</b>	<b>488,584</b>	<b>487,343</b>	<b>484,653</b>	<b>-3,931</b>

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

	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
General public services	-165	113	-43	122
Defence	3,876	4,727	5,343	1,466
Public order and safety	135	190	87	-48
Education	17	4	-1	-18
Health	48	62	48	1
Social security and welfare	49	114	114	65
Housing and community amenities	-18	91	-5	13
Recreation and culture	178	213	111	-67
Fuel and energy	1	1	-1	-2
Agriculture, forestry and fishing	741	904	421	-320
Mining, manufacturing and construction	10	14	7	-3
Transport and communication	32	35	36	4
Other economic affairs	40	25	11	-29
Other purposes	45	-3	0	-45
<b>Total net capital investment</b>	<b>4,989</b>	<b>6,490</b>	<b>6,126</b>	<b>1,138</b>

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

	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
General public services	803	1,098	848	45
Defence	10,184	10,536	10,900	716
Public order and safety	601	647	570	-31
Education	45	31	23	-21
Health	115	140	126	11
Social security and welfare	432	558	560	128
Housing and community amenities	70	104	83	13
Recreation and culture	516	549	434	-82
Fuel and energy	6	6	4	-2
Agriculture, forestry and fishing	785	952	469	-316
Mining, manufacturing and construction	19	22	14	-4
Transport and communication	96	97	96	0
Other economic affairs	506	570	561	55
Other purposes	45	-3	0	-45
<b>Total purchases of non-financial assets</b>	<b>14,222</b>	<b>15,306</b>	<b>14,688</b>	<b>466</b>

## 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, a loan to 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 2018-19.

At the end of 2018-19, the headline cash deficit was \$7.2 billion, a \$20.4 billion improvement from the estimate at the time of the 2018-19 Budget. The improvement in the headline cash balance was primarily driven by the improvement in the underlying cash balance and higher net Future Fund earnings.

**Table 8: Australian Government general government sector reconciliation of underlying and headline cash balance<sup>(a)</sup>**

	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
<b>2018-19 Underlying cash balance(b)</b>	<b>-14,462</b>	<b>-4,162</b>	<b>-690</b>	<b>13,771</b>
<b>plus Net cash flows from investments in financial assets for policy purposes</b>				
Student loans	-4,538	-4,476	-4,334	204
NBN loan	-8,005	-6,954	-7,522	483
WestConnex	-576	-576	-576	0
Trade support loans	-167	-194	-221	-54
CEFC loans and investments	-639	-872	-863	-224
Northern Australia Infrastructure Facility	-741	-69	-35	706
Drought and rural assistance loans	-90	-362	72	162
Water infrastructure and regional development loans	-270	-356	-31	239
Net other(c)	-1,633	-1,290	-877	756
<b>Total net cash flows from investments in financial assets for policy purposes</b>	<b>-16,659</b>	<b>-15,149</b>	<b>-14,387</b>	<b>2,271</b>
plus Net Future Fund earnings	3,559	6,592	7,878	4,320
<b>2018-19 Headline cash balance</b>	<b>-27,562</b>	<b>-12,719</b>	<b>-7,199</b>	<b>20,362</b>

(a) Items with material estimates in 2018-19 in the 2018-19 Budget.

(b) Excludes net Future Fund earnings.

(c) Net other includes proposed equity payments for infrastructure projects. The amounts have not been itemised for commercial-in-confidence reasons.

## **NET DEBT, NET FINANCIAL WORTH AND NET WORTH**

At the end of 2018-19, the level of Australian Government net debt was \$373.6 billion (19.2 per cent of GDP), \$23.7 billion higher than estimated at the time of the 2018-19 Budget. This primarily reflects the higher market value of Australian Government Securities due to lower yields than expected at the 2018-19 Budget, notwithstanding lower borrowing needs.

Net financial worth was negative \$694.4 billion at the end of 2018-19, compared with negative \$482.9 billion estimated at the 2018-19 Budget.

Net worth was negative \$543.5 billion at the end of 2018-19, compared with negative \$337.6 billion estimated at the 2018-19 Budget.

The changes in net financial worth and net worth since the 2018-19 Budget reflect a significant increase in the Government's reported superannuation liability. This reported increase is consistent with previous years and is the result of a large difference between the discount rates used to value the Government's defined benefit superannuation liability at the 2018-19 Budget and at the 2018-19 Final Budget Outcome (FBO). The approach to valuing the superannuation liability has not changed from previous budgets or FBOs.

At the 2018-19 Budget, actuaries determined the long-term discount rate to be 5.0 per cent per annum. This rate reflected the average annual rate estimated to apply over the remainder of the term to maturity of the liability and the actuaries' views that short-term deviations are expected to be smoothed out in the longer term. This approach also reduces the volatility in reported liabilities that would occur from year to year if the long-term government bond rate were used.

For FBO, the Australian Accounting Standards require the use of the long-term government bond rate as at 30 June 2019 that best matches each individual scheme's liability duration. This requirement results in differences in superannuation liability between one FBO and the next, and between budgets and FBO, due to the discount rate applied, not as a result of changes in the accrued benefits of the defined benefit schemes. At the 2018-19 FBO, the long-term bond rates used were between 1.4 and 1.9 per cent per annum depending on the defined benefit scheme.

The variance in the reported superannuation liability between the 2018-19 Budget and 2018-19 FBO was an increase of \$191.5 billion. By way of comparison, the variance between the 2017-18 Budget and 2017-18 FBO was an increase of \$132.2 billion.

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

	2018-19 Estimate at 2018-19 Budget \$b	2018-19 Estimate at 2019-20 Budget \$b	2018-19 Outcome \$b	Change on 2018-19 Budget \$b
Financial assets	422.6	431.8	453.2	30.6
Non-financial assets	145.3	149.9	151.0	5.7
<b>Total assets</b>	<b>568.0</b>	<b>581.7</b>	<b>604.2</b>	<b>36.3</b>
<b>Total liabilities</b>	<b>905.6</b>	<b>922.6</b>	<b>1,147.7</b>	<b>242.1</b>
<b>Net worth</b>	<b>-337.6</b>	<b>-340.9</b>	<b>-543.5</b>	<b>-205.8</b>
<b>Net financial worth(a)</b>	<b>-482.9</b>	<b>-490.8</b>	<b>-694.4</b>	<b>-211.5</b>
Per cent of GDP	-25.4	-25.3	-35.7	
<b>Net debt(b)</b>	<b>349.9</b>	<b>373.5</b>	<b>373.6</b>	<b>23.7</b>
Per cent of GDP	18.4	19.2	19.2	
<b>Net interest payments</b>	<b>14.5</b>	<b>14.1</b>	<b>15.1</b>	<b>0.7</b>
Per cent of GDP	0.8	0.7	0.8	

(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) sector. 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 for 2018-19 have been prepared on a basis consistent with the 2019-20 Budget. This enables comparison of the 2018-19 revised estimates published at the 2019-20 Budget and the outcome.

The statements reflect the Government's policy that the ABS GFS remains the basis of budget accounting policy, except where AAS is applied 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 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049). The financial statements are consistent with the requirements of the UPF.

## AUSTRALIAN GOVERNMENT FINANCIAL STATEMENTS

**Table 10: Australian Government general government sector operating statement**

		2018-19 Estimate at 2019-20 Budget \$m	Month of June 2019 (d) \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
	Note				
<b>Revenue</b>					
Taxation revenue	3	459,085	34,382	456,072	-3,013
Sales of goods and services	4	13,455	769	12,488	-967
Interest income	5	4,837	369	4,477	-360
Dividend income	5	7,718	2,295	9,587	1,869
Other	6	10,701	1,007	10,722	21
<b>Total revenue</b>		<b>495,796</b>	<b>38,823</b>	<b>493,346</b>	<b>-2,450</b>
<b>Expenses</b>					
Gross operating expenses					
Wages and salaries(a)	7	20,693	1,596	19,775	-918
Superannuation	7	9,043	434	8,845	-198
Depreciation and amortisation	8	8,742	1,100	9,013	271
Supply of goods and services	9	117,709	11,111	115,339	-2,369
Other operating expenses(a)	7	6,693	1,469	7,900	1,206
<i>Total gross operating expenses</i>		<i>162,881</i>	<i>15,709</i>	<i>160,872</i>	<i>-2,009</i>
Superannuation interest expense	7	9,447	1,077	9,736	289
Interest expenses	10	18,375	1,690	18,072	-303
Current transfers					
Current grants	11	148,852	13,948	147,987	-865
Subsidy expenses		11,367	991	11,501	135
Personal benefits	12	125,230	9,666	125,324	94
<i>Total current transfers</i>		<i>285,449</i>	<i>24,605</i>	<i>284,812</i>	<i>-637</i>
Capital transfers					
Mutually agreed write-downs		1,317	51	1,207	-110
Other capital grants		9,875	4,692	9,954	79
<i>Total capital transfers</i>		<i>11,192</i>	<i>4,743</i>	<i>11,161</i>	<i>-31</i>
<b>Total expenses</b>		<b>487,343</b>	<b>47,824</b>	<b>484,653</b>	<b>-2,690</b>
<b>Net operating balance</b>		<b>8,452</b>	<b>-9,001</b>	<b>8,692</b>	<b>240</b>
<b>Other economic flows - included in operating result</b>					
Net write-downs of assets		-8,049	968	-6,101	1,948
Assets recognised for the first time		189	177	322	133
Actuarial revaluations		30	-9,366	-9,201	-9,231
Net foreign exchange gains		-208	734	-902	-694
Net swap interest received		-356	-72	-622	-266
Market valuation of debt		-21,460	-4,689	-43,550	-22,090
Other gains/(losses)		2,584	11,020	14,820	12,235
<b>Total other economic flows - included in operating result</b>		<b>-27,269</b>	<b>-1,228</b>	<b>-45,234</b>	<b>-17,966</b>
<b>Operating Result(b)</b>		<b>-18,816</b>	<b>-10,229</b>	<b>-36,542</b>	<b>-17,726</b>



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

	2018-19 Estimate at 2019-20 Budget	Month of June 2019 (d)	2018-19 Outcome	Change on 2019-20 Budget
Note	\$m	\$m	\$m	\$m
<b>Non-owner movements in equity</b>				
Revaluation of equity investments	-3,499	1,104	1,096	4,595
Actuarial revaluations	1,441	1,879	1,879	438
Other economic revaluations	25	-57	2,283	2,258
<b>Total other economic flows - included in equity</b>	<b>-2,033</b>	<b>2,926</b>	<b>5,258</b>	<b>7,291</b>
<b>Comprehensive result - Total change in net worth</b>	<b>-20,849</b>	<b>-7,304</b>	<b>-31,284</b>	<b>-10,435</b>
<b>Net operating balance</b>	<b>8,452</b>	<b>-9,001</b>	<b>8,692</b>	<b>240</b>
<b>Net acquisition of non-financial assets</b>				
Purchases of non-financial assets	15,306	2,926	14,688	-618
<i>less</i> Sales of non-financial assets	194	23	188	-6
<i>less</i> Depreciation	8,742	1,100	9,013	271
<i>plus</i> Change in inventories	118	360	637	518
<i>plus</i> Other movements in non-financial assets	2	-23	3	1
<b>Total net acquisition of non-financial assets</b>	<b>6,490</b>	<b>2,140</b>	<b>6,126</b>	<b>-363</b>
<b>Fiscal balance (Net lending/borrowing)(c)</b>	<b>1,962</b>	<b>-11,141</b>	<b>2,566</b>	<b>604</b>

(a) Consistent with the 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**

		2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
	Note			
<b>Assets</b>				
<b>Financial assets</b>				
Cash and deposits		7,563	8,521	958
Advances paid	13	71,008	75,394	4,386
Investments, loans and placements	14	175,216	187,949	12,733
Other receivables	13	55,700	56,923	1,223
<b>Equity investments</b>				
Investments in other public sector entities		52,907	57,286	4,380
Equity accounted investments		3,405	3,519	115
Investments - shares		66,000	63,644	-2,356
<b>Total financial assets</b>		<b>431,799</b>	<b>453,237</b>	<b>21,439</b>
<b>Non-financial assets</b>				
	15			
Land		11,586	11,831	245
Buildings		27,072	27,275	203
Plant, equipment and infrastructure		81,742	81,955	213
Inventories		8,397	8,944	548
Intangibles		9,039	8,774	-265
Investment properties		193	160	-33
Biological assets		20	27	6
Heritage and cultural assets		11,604	11,694	90
Assets held for sale		183	293	111
Other non-financial assets		34	35	1
<b>Total non-financial assets</b>		<b>149,869</b>	<b>150,989</b>	<b>1,120</b>
<b>Total assets</b>		<b>581,668</b>	<b>604,226</b>	<b>22,558</b>
<b>Liabilities</b>				
<b>Interest bearing liabilities</b>				
Deposits held		381	388	7
Government securities		608,637	626,369	17,731
Loans	16	16,742	17,142	400
Other borrowing		1,499	1,532	32
<b>Total interest bearing liabilities</b>		<b>627,260</b>	<b>645,430</b>	<b>18,170</b>

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

		2018-19 Estimate at 2019-20 Budget	2018-19 Outcome	Change on 2019-20 Budget
	Note	\$m	\$m	\$m
Provisions and payables				
Superannuation liability	17	223,720	415,227	191,507
Other employee liabilities	17	20,166	26,149	5,983
Suppliers payables	18	6,027	8,273	2,246
Personal benefits payables	18	3,389	2,994	-395
Subsidies payables	18	519	630	111
Grants payables	18	3,539	2,743	-796
Other payables	18	2,316	3,210	894
Provisions	18	35,622	43,030	7,408
<i>Total provisions and payables</i>		295,297	502,255	206,958
<b>Total liabilities</b>		<b>922,557</b>	<b>1,147,685</b>	<b>225,128</b>
<b>Net worth(a)</b>		<b>-340,889</b>	<b>-543,459</b>	<b>-202,570</b>
<i>Net financial worth(b)</i>		-490,758	-694,448	-203,689
<i>Net financial liabilities(c)</i>		543,665	751,734	208,069
<i>Net debt(d)</i>		373,473	373,566	93

(a) Net worth equals 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 interest bearing liabilities (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<sup>(a)</sup>**

	2018-19 Estimate at 2019-20 Budget \$m	Month of June 2019 (b) \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Cash receipts from operating activities</b>				
Taxes received	448,821	41,244	448,579	-242
Receipts from sales of goods and services	13,467	1,379	12,863	-604
Interest receipts	4,412	97	3,803	-609
Dividends and income tax equivalents	7,175	735	8,943	1,768
Other receipts	10,643	1,032	10,501	-142
<b>Total operating receipts</b>	<b>484,518</b>	<b>44,487</b>	<b>484,689</b>	<b>171</b>
<b>Cash payments for operating activities</b>				
Payments for employees(c)	-29,603	-2,514	-29,120	483
Payments for goods and services	-116,831	-8,882	-111,826	5,006
Grants and subsidies paid	-170,609	-19,281	-170,467	142
Interest paid	-18,491	-1,122	-18,951	-461
Personal benefit payments	-125,961	-9,041	-126,362	-401
Other payments(c)	-6,358	-748	-6,710	-352
<b>Total operating payments</b>	<b>-467,853</b>	<b>-41,588</b>	<b>-463,436</b>	<b>4,418</b>
<b>Net cash flows from operating activities</b>	<b>16,665</b>	<b>2,900</b>	<b>21,253</b>	<b>4,588</b>
<b>Cash flows from investments in non-financial assets</b>				
Sales of non-financial assets	647	17	597	-50
Purchases of non-financial assets	-14,881	-2,835	-14,656	225
<b>Net cash flows from investments in non-financial assets</b>	<b>-14,234</b>	<b>-2,817</b>	<b>-14,059</b>	<b>175</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-15,149</b>	<b>-559</b>	<b>-14,387</b>	<b>762</b>
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>1,979</b>	<b>596</b>	<b>1,061</b>	<b>-918</b>
<b>Cash receipts from financing activities</b>				
Borrowing	83,567	5,054	76,370	-7,197
Other financing	1,215	145	2,395	1,180
<b>Total cash receipts from financing activities</b>	<b>84,782</b>	<b>5,199</b>	<b>78,765</b>	<b>-6,017</b>
<b>Cash payments for financing activities</b>				
Borrowing	-69,166	-3,987	-65,529	3,637
Other financing	-4,093	97	-5,362	-1,270
<b>Total cash payments from financing activities</b>	<b>-73,259</b>	<b>-3,890</b>	<b>-70,892</b>	<b>2,368</b>
<b>Net cash flows from financing activities</b>	<b>11,523</b>	<b>1,309</b>	<b>7,873</b>	<b>-3,650</b>
<b>Net increase/(decrease) in cash held</b>	<b>783</b>	<b>1,429</b>	<b>1,741</b>	<b>958</b>

**Table 12: Australian Government general government sector cash flow statement (continued)<sup>(a)</sup>**

	2018-19 Estimate at 2019-20 Budget \$m	Month of June 2019 (b) \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>GFS cash surplus(+)/deficit(-)(d)</b>	<b>2,430</b>	<b>82</b>	<b>7,194</b>	<b>4,764</b>
<i>less</i> Finance leases and similar arrangements(e)	0	4	6	6
<i>less</i> Net Future Fund earnings	6,592	653	7,878	1,286
<b>Equals underlying cash balance(f)</b>	<b>-4,162</b>	<b>-575</b>	<b>-690</b>	<b>3,471</b>
<i>plus</i> Net cash flows from investments in financial assets for policy purposes	-15,149	-559	-14,387	762
<i>plus</i> Net Future Fund earnings	6,592	653	7,878	1,286
<b>Equals headline cash balance</b>	<b>-12,719</b>	<b>-480</b>	<b>-7,199</b>	<b>5,520</b>

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

(b) 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.

(c) Consistent with the ABS GFS classification, other employee related payments are reported under other payments.

(d) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.

(e) The acquisition of assets under finance leases worsens the underlying cash balance. The disposal of assets previously held under finance leases improves the underlying cash balance.

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

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

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Revenue</b>			
Current grants and subsidies	101	97	-4
Sales of goods and services	15,317	15,642	325
Interest income	31	43	12
Other	40	54	14
<b>Total revenue</b>	<b>15,490</b>	<b>15,836</b>	<b>346</b>
<b>Expenses</b>			
Gross operating expenses			
Wages and salaries(a)	4,461	4,462	1
Superannuation	456	461	5
Depreciation and amortisation	3,883	3,361	-522
Supply of goods and services	10,045	10,152	108
Other operating expenses(a)	586	728	143
<i>Total gross operating expenses</i>	<i>19,430</i>	<i>19,165</i>	<i>-266</i>
Interest expenses	1,074	1,127	54
Other property expenses	299	396	97
Current transfers			
Tax expenses	232	210	-22
<i>Total current transfers</i>	<i>232</i>	<i>210</i>	<i>-22</i>
<b>Total expenses</b>	<b>21,035</b>	<b>20,899</b>	<b>-137</b>
<b>Net operating balance</b>	<b>-5,545</b>	<b>-5,062</b>	<b>483</b>
<b>Other economic flows</b>	<b>-554</b>	<b>-1,083</b>	<b>-529</b>
<b>Comprehensive result - Total change in net worth excluding contribution from owners</b>	<b>-6,099</b>	<b>-6,146</b>	<b>-47</b>
<b>Net acquisition of non-financial assets</b>			
Purchases of non-financial assets	8,368	9,473	1,105
<i>less</i> Sales of non-financial assets	<i>26</i>	<i>72</i>	<i>46</i>
<i>less</i> Depreciation	<i>3,883</i>	<i>3,361</i>	<i>-522</i>
<i>plus</i> Change in inventories	<i>18</i>	<i>23</i>	<i>5</i>
<i>plus</i> Other movements in non-financial assets	<i>27</i>	<i>-4</i>	<i>-31</i>
<b>Total net acquisition of non-financial assets</b>	<b>4,505</b>	<b>6,059</b>	<b>1,553</b>
<b>Fiscal balance (Net lending/borrowing)(b)</b>	<b>-10,050</b>	<b>-11,121</b>	<b>-1,071</b>

(a) Consistent with the 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**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Assets</b>			
Financial assets			
Cash and deposits	1,958	2,078	120
Investments, loans and placements	974	975	1
Other receivables	2,300	2,759	459
Equity investments	165	171	6
<i>Total financial assets</i>	<i>5,397</i>	<i>5,983</i>	<i>586</i>
Non-financial assets			
Land and other fixed assets	47,753	48,448	694
Other non-financial assets(a)	3,679	4,054	374
<i>Total non-financial assets</i>	<i>51,432</i>	<i>52,501</i>	<i>1,069</i>
<b>Total assets</b>	<b>56,829</b>	<b>58,485</b>	<b>1,655</b>
<b>Liabilities</b>			
Interest bearing liabilities			
Deposits held	9	14	5
Advances received	282	278	-4
Loans	15,621	16,612	991
Other borrowing	8,537	8,632	96
<i>Total interest bearing liabilities</i>	<i>24,449</i>	<i>25,536</i>	<i>1,087</i>
Provisions and payables			
Superannuation liability	31	31	0
Other employee liabilities	1,581	1,736	154
Other payables	5,433	5,586	153
Other provisions(a)	622	830	208
<i>Total provisions and payables</i>	<i>7,668</i>	<i>8,182</i>	<i>514</i>
<b>Total liabilities</b>	<b>32,117</b>	<b>33,719</b>	<b>1,601</b>
<b>Shares and other contributed capital</b>	<b>24,712</b>	<b>24,766</b>	<b>54</b>
<b>Net worth(b)</b>	<b>24,712</b>	<b>24,766</b>	<b>54</b>
<i>Net financial worth(c)</i>	<i>-26,720</i>	<i>-27,735</i>	<i>-1,015</i>
<i>Net debt(d)</i>	<i>21,516</i>	<i>22,483</i>	<i>967</i>

(a) Excludes the impact of commercial taxation adjustments.

(b) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals 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 the 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<sup>(a)</sup>**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Cash receipts from operating activities</b>			
Receipts from sales of goods and services	16,238	17,137	900
Grants and subsidies received	129	46	-83
GST input credit receipts	1,131	660	-470
Other receipts	-12	23	35
<b>Total operating receipts</b>	<b>17,485</b>	<b>17,866</b>	<b>381</b>
<b>Cash payments for operating activities</b>			
Payments to employees(b)	-4,833	-4,790	43
Payment for goods and services	-10,561	-11,631	-1,070
Interest paid	-442	-446	-3
GST payments to taxation authority	-929	-410	519
Other payments(b)	-955	-981	-26
<b>Total operating payments</b>	<b>-17,721</b>	<b>-18,257</b>	<b>-537</b>
<b>Net cash flows from operating activities</b>	<b>-236</b>	<b>-391</b>	<b>-155</b>
<b>Cash flows from investments in non-financial assets</b>			
Sales of non-financial assets	214	43	-171
Purchases of non-financial assets	-7,804	-7,953	-150
<b>Net cash flows from investments in non-financial assets</b>	<b>-7,590</b>	<b>-7,910</b>	<b>-321</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-8</b>	<b>-2</b>	<b>6</b>
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>-51</b>	<b>23</b>	<b>74</b>
<b>Net cash flows from financing activities</b>			
Borrowing (net)	7,261	8,120	859
Other financing (net)	909	663	-246
Distributions paid (net)(c)	-299	-397	-98
<b>Net cash flows from financing activities</b>	<b>7,871</b>	<b>8,386</b>	<b>515</b>
<b>Net increase/(decrease) in cash held</b>	<b>-13</b>	<b>106</b>	<b>119</b>
<b>Cash at the beginning of the year</b>	<b>1,972</b>	<b>1,972</b>	<b>0</b>
<b>Cash at the end of the year</b>	<b>1,958</b>	<b>2,078</b>	<b>119</b>
<b>Net cash from operating activities and investments in non-financial assets</b>	<b>-7,825</b>	<b>-8,301</b>	<b>-476</b>
Distributions paid(c)	-299	-397	-98
<b>GFS cash surplus(+)/deficit(-)</b>	<b>-8,125</b>	<b>-8,699</b>	<b>-574</b>

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

(b) Consistent with the ABS GFS classification, other employee related payments are reported under other payments.

(c) Under the ABS GFS, distributions paid by public corporations is reported as cash payments for operating activities.



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

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Revenue</b>			
Taxation revenue	458,861	455,986	-2,875
Sales of goods and services	27,749	27,040	-710
Interest income	4,505	4,156	-349
Dividend income	7,419	9,191	1,772
Other	10,799	10,644	-155
<b>Total revenue</b>	<b>509,333</b>	<b>507,017</b>	<b>-2,317</b>
<b>Expenses</b>			
Gross operating expenses			
Wages and salaries(a)	25,154	24,236	-917
Superannuation	9,500	9,297	-203
Depreciation and amortisation	12,625	12,374	-251
Supply of goods and services	126,720	124,286	-2,434
Other operating expenses(a)	7,279	8,632	1,353
<i>Total gross operating expenses</i>	<i>181,277</i>	<i>178,825</i>	<i>-2,452</i>
Superannuation interest expense	9,447	9,736	290
Interest expenses	19,086	18,836	-250
Current transfers			
Current grants	148,852	147,987	-865
Subsidy expenses	11,363	11,497	135
Personal benefits	125,230	125,324	94
<i>Total current transfers</i>	<i>285,445</i>	<i>284,808</i>	<i>-637</i>
Capital transfers	11,172	11,066	-106
<b>Total expenses</b>	<b>506,426</b>	<b>503,270</b>	<b>-3,156</b>
<b>Net operating balance</b>	<b>2,907</b>	<b>3,746</b>	<b>839</b>
<b>Other economic flows</b>	<b>-24,039</b>	<b>-38,311</b>	<b>-14,272</b>
<b>Comprehensive result - Total change in net worth</b>	<b>-21,132</b>	<b>-34,565</b>	<b>-13,433</b>
<b>Net acquisition of non-financial assets</b>			
Purchases of non-financial assets	23,674	24,160	486
<i>less</i> Sales of non-financial assets	220	260	40
<i>less</i> Depreciation	12,625	12,374	-251
<i>plus</i> Change in inventories	137	659	523
<i>plus</i> Other movements in non-financial assets	29	-1	-30
<b>Total net acquisition of non-financial assets</b>	<b>10,995</b>	<b>12,185</b>	<b>1,190</b>
<b>Fiscal balance (Net lending/borrowing)(b)</b>	<b>-8,088</b>	<b>-8,439</b>	<b>-351</b>

(a) Consistent with the 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**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Assets</b>			
Financial assets			
Cash and deposits	9,522	10,599	1,078
Advances paid	58,248	62,073	3,825
Investments, loans and placements	176,170	188,906	12,736
Other receivables	57,969	59,403	1,434
Equity investments	97,830	97,033	-797
<i>Total financial assets</i>	<i>399,738</i>	<i>418,014</i>	<i>18,276</i>
Non-financial assets			
Land and other fixed assets	188,154	190,148	1,994
Other non-financial assets	13,110	13,341	231
<i>Total non-financial assets</i>	<i>201,264</i>	<i>203,489</i>	<i>2,225</i>
<b>Total assets</b>	<b>601,002</b>	<b>621,503</b>	<b>20,501</b>
<b>Liabilities</b>			
Interest bearing liabilities			
Deposits held	390	402	12
Advances received	0	0	0
Government securities	608,637	626,369	17,731
Loans	19,865	20,693	828
Other borrowing	10,036	10,164	128
<i>Total interest bearing liabilities</i>	<i>638,928</i>	<i>657,627</i>	<i>18,699</i>
Provisions and payables			
Superannuation liability	223,752	415,258	191,506
Other employee liabilities	21,747	27,884	6,137
Other payables	21,094	23,237	2,143
Other provisions	36,226	43,809	7,583
<i>Total provisions and payables</i>	<i>302,819</i>	<i>510,189</i>	<i>207,369</i>
<b>Total liabilities</b>	<b>941,747</b>	<b>1,167,815</b>	<b>226,068</b>
<b>Net worth(a)</b>	<b>-340,745</b>	<b>-546,312</b>	<b>-205,567</b>
<i>Net financial worth(b)</i>	<i>-542,009</i>	<i>-749,801</i>	<i>-207,792</i>
<i>Net debt(c)</i>	<i>394,989</i>	<i>396,049</i>	<i>1,060</i>

(a) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals 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 the 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 interest bearing liabilities (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<sup>(a)</sup>**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Cash receipts from operating activities</b>			
Taxes received	448,543	448,258	-284
Receipts from sales of goods and services	27,835	27,453	-382
Interest receipts	4,091	3,489	-602
Dividends and income tax equivalents	6,883	8,552	1,670
Other receipts	10,758	10,373	-385
<b>Total operating receipts</b>	<b>498,110</b>	<b>498,126</b>	<b>17</b>
<b>Cash payments for operating activities</b>			
Payments to employees(b)	-34,436	-33,901	535
Payments for goods and services	-125,406	-120,564	4,841
Grants and subsidies paid	-170,585	-170,382	203
Interest paid	-18,583	-19,045	-463
Personal benefit payments	-125,961	-126,362	-401
Other payments(b)	-7,026	-7,421	-396
<b>Total operating payments</b>	<b>-481,996</b>	<b>-477,676</b>	<b>4,320</b>
<b>Net cash flows from operating activities</b>	<b>16,114</b>	<b>20,451</b>	<b>4,336</b>
<b>Cash flows from investments in non-financial assets</b>			
Sales of non-financial assets	861	640	-221
Purchases of non-financial assets	-22,669	-22,595	75
<b>Net cash flows from investments in non-financial assets</b>	<b>-21,808</b>	<b>-21,954</b>	<b>-146</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-7,067</b>	<b>-5,865</b>	<b>1,202</b>
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>1,927</b>	<b>1,084</b>	<b>-844</b>
<b>Net cash flows from financing activities</b>			
Borrowing (net)	14,715	11,456	-3,259
Other financing (net)	-3,112	-3,325	-214
<b>Net cash flows from financing activities</b>	<b>11,604</b>	<b>8,131</b>	<b>-3,473</b>
<b>Net increase/(decrease) in cash held</b>	<b>770</b>	<b>1,846</b>	<b>1,077</b>
<b>Cash at the beginning of the year</b>	<b>8,755</b>	<b>8,755</b>	<b>0</b>
<b>Cash at the end of the year</b>	<b>9,522</b>	<b>10,599</b>	<b>1,077</b>
<b>Net cash from operating activities and investments in non-financial assets</b>	<b>-5,694</b>	<b>-1,504</b>	<b>4,191</b>
Distributions paid	0	-6	-6
<b>GFS cash surplus(+)/deficit(-)</b>	<b>-5,694</b>	<b>-1,510</b>	<b>4,185</b>

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

(b) Consistent with the ABS GFS classification, other employee related payments are reported under other payments.

**Table 19: Australian Government public financial corporations sector operating statement**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Revenue</b>			
Current grants and subsidies	140	153	13
Sales of goods and services	722	793	72
Interest income	2,484	2,417	-67
Other	52	70	18
<b>Total revenue</b>	<b>3,398</b>	<b>3,434</b>	<b>37</b>
<b>Expenses</b>			
Gross operating expenses			
Wages and salaries(a)	170	200	30
Superannuation	50	54	4
Depreciation and amortisation	63	76	13
Supply of goods and services	513	470	-43
Other operating expenses(a)	54	87	33
<i>Total gross operating expenses</i>	<i>849</i>	<i>886</i>	<i>37</i>
Interest expenses	1,216	1,162	-54
Other property expenses	1,465	1,596	130
Current transfers			
Tax expenses	7	10	3
<i>Total current transfers</i>	<i>7</i>	<i>11</i>	<i>3</i>
<b>Total expenses</b>	<b>3,538</b>	<b>3,655</b>	<b>117</b>
<b>Net operating balance</b>	<b>-140</b>	<b>-220</b>	<b>-80</b>
<b>Other economic flows</b>	<b>2,281</b>	<b>3,896</b>	<b>1,615</b>
<b>Comprehensive result - Total change in net worth excluding contribution from owners</b>	<b>2,141</b>	<b>3,676</b>	<b>1,535</b>
<b>Net acquisition of non-financial assets</b>			
Purchases of non-financial assets	5	50	45
<i>less</i> Sales of non-financial assets	<i>159</i>	<i>161</i>	<i>2</i>
<i>less</i> Depreciation	<i>63</i>	<i>76</i>	<i>13</i>
<i>plus</i> Change in inventories	<i>-33</i>	<i>-5</i>	<i>28</i>
<i>plus</i> Other movements in non-financial assets	<i>0</i>	<i>0</i>	<i>0</i>
<b>Total net acquisition of non-financial assets</b>	<b>-249</b>	<b>-191</b>	<b>58</b>
<b>Fiscal balance (Net lending/borrowing)(b)</b>	<b>109</b>	<b>-29</b>	<b>-138</b>

(a) Consistent with the 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 20: Australian Government public financial corporations sector balance sheet**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Assets</b>			
Financial assets			
Cash and deposits	1,531	1,719	188
Investments, loans and placements	165,588	184,883	19,295
Other receivables	140	143	3
Equity investments	504	546	42
<i>Total financial assets</i>	<i>167,763</i>	<i>187,291</i>	<i>19,528</i>
Non-financial assets			
Land and other fixed assets	781	850	69
Other non-financial assets(a)	97	98	1
<i>Total non-financial assets</i>	<i>878</i>	<i>948</i>	<i>70</i>
<b>Total assets</b>	<b>168,641</b>	<b>188,239</b>	<b>19,598</b>
<b>Liabilities</b>			
Interest bearing liabilities			
Deposits held	129,918	148,901	18,983
Borrowing	6,684	5,170	-1,515
<i>Total interest bearing liabilities</i>	<i>136,602</i>	<i>154,070</i>	<i>17,468</i>
Provisions and payables			
Superannuation liability	393	570	177
Other employee liabilities	177	222	45
Other payables	1,773	1,942	169
Other provisions(a)	1,347	1,546	199
<i>Total provisions and payables</i>	<i>3,690</i>	<i>4,280</i>	<i>590</i>
<b>Total liabilities</b>	<b>140,292</b>	<b>158,350</b>	<b>18,058</b>
<b>Shares and other contributed capital</b>	<b>28,349</b>	<b>29,889</b>	<b>1,540</b>
<b>Net worth(b)</b>	<b>28,349</b>	<b>29,889</b>	<b>1,540</b>
<i>Net financial worth(c)</i>	<i>27,471</i>	<i>28,941</i>	<i>1,470</i>
<i>Net debt(d)</i>	<i>-30,516</i>	<i>-32,531</i>	<i>-2,015</i>

(a) Excludes the impact of commercial taxation adjustments.

(b) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals 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 the 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 and borrowing), minus the sum of cash and deposits, and investments, loans and placements.

**Table 21: Australian Government public financial corporations sector cash flow statement<sup>(a)</sup>**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Cash receipts from operating activities</b>			
Receipts from sales of goods and services	747	736	-11
Grants and subsidies received	140	153	13
GST input credit receipts	25	12	-13
Interest receipts	2,483	2,464	-18
Other receipts	48	11	-36
<b>Total operating receipts</b>	<b>3,442</b>	<b>3,376</b>	<b>-66</b>
<b>Cash payments for operating activities</b>			
Payments to employees(b)	-271	-236	34
Payments for goods and services	-700	-557	143
Interest paid	-1,192	-1,109	83
GST payment to taxation authority	-12	-15	-2
Other payments(b)	-5	-66	-61
<b>Total operating payments</b>	<b>-2,180</b>	<b>-1,983</b>	<b>197</b>
<b>Net cash flows from operating activities</b>	<b>1,262</b>	<b>1,393</b>	<b>131</b>
<b>Cash flows from investments in non-financial assets</b>			
Sales of non-financial assets	171	159	-12
Purchases of non-financial assets	-3	-48	-45
<b>Net cash flows from investments in non-financial assets</b>	<b>168</b>	<b>111</b>	<b>-57</b>
<b>Net cash flows from investments in financial assets for policy purposes</b>	<b>-353</b>	<b>-249</b>	<b>103</b>
<b>Net cash flows from investments in financial assets for liquidity purposes</b>	<b>27,639</b>	<b>8,617</b>	<b>-19,022</b>
<b>Net cash flows from financing activities</b>			
Borrowing and deposits received (net)	-31,787	-12,476	19,311
Other financing (net)	4,773	4,486	-287
Distributions paid (net)(c)	-807	-800	8
<b>Net cash flows from financing activities</b>	<b>-27,822</b>	<b>-8,790</b>	<b>19,032</b>
<b>Net increase/(decrease) in cash held</b>	<b>895</b>	<b>1,083</b>	<b>188</b>
<b>Cash at the beginning of the year</b>	<b>635</b>	<b>635</b>	<b>0</b>
<b>Cash at the end of the year</b>	<b>1,531</b>	<b>1,719</b>	<b>188</b>
<b>Net cash from operating activities and investments in non-financial assets</b>	<b>1,430</b>	<b>1,505</b>	<b>74</b>
Distributions paid(c)	-807	-800	8
<b>GFS cash surplus(+)/deficit(-)</b>	<b>623</b>	<b>705</b>	<b>82</b>

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

(b) Consistent with the ABS GFS classification, other employee related payments are reported under other payments.

(c) Under the ABS GFS, distributions paid by public corporations is reported as cash payments for operating activities.

## 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 (FBO) be based on external reporting standards and that departures from applicable external reporting standards be identified.

The external standards used for the FBO 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 2015* (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 as adopted in Australia and the public sector specific standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

The financial statements have been prepared on an accrual basis that complies with both the ABS GFS and AAS, except for departures disclosed at Note 2. A more detailed description of the AAS and the 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 Australian Government Consolidated Financial Statements (CFS).

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. 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 entities.

The Government's key fiscal aggregates are based on the 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.

## *Part 2: Australian Government Financial Statements*

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. The ABS GFS does not require total assets to be attributed to functions. In accordance with the 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 FBO and 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 December each year.

AASB 1055 *Budgetary Reporting* requires major variances between original budget estimates and outcomes to be explained in the financial statements. Explanations of variances in fiscal balance, revenue, expenses, net capital investment, cash flows, net debt, net financial worth and net worth for the 2018-19 year from the 2018-19 Budget to the 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO) are discussed in Part 3 of the 2018-19 MYEFO. Explanations of variances for the 2018-19 year from MYEFO to the 2019-20 Budget are disclosed in Statement 3 of 2019-20 Budget Paper No. 1, Budget Strategy and Outlook. Explanations of variances from the 2018-19 Budget to the Final Budget Outcome for 2018-19 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 the ABS GFS measurement of key fiscal aggregates, where different, in notes to the financial statements. Only one measure of each aggregate has been included on the face statements to avoid confusion.

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, 2015* (cat. no. 5514.0).



**Table 22: Major differences between AAS and ABS GFS**

Issue	AAS treatment	ABS GFS treatment	Treatment adopted
Circulating coins — seigniorage	The profit between the cost and sale of circulating coins (seigniorage) is treated as revenue.	Circulating coins is treated as a liability, and the cost of producing the coins is treated as an expense.	AAS
Valuation of loans	Changes in the valuation of loans are treated as a revenue or an expense.  In some circumstances recognition as a revenue or an expense is delayed until the loan ends or is transferred.	Changes in the valuation of loans (excluding mutually agreed write-downs) are treated as an other economic flow.	ABS GFS
Concessional loans	Concessional elements are treated as an expense on initial recognition and unwound over the loan term.	Concessional elements are treated as an other economic flow.	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 make-good	Capitalised when the asset is acquired.	Capitalised when make-good activity takes place.	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 revenue 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
Dividends paid by the Reserve Bank of Australia	Dividends are recognised in the year profit was earned.	Dividends are recognised when the Treasurer makes a determination.	AAS
National Disability Insurance Scheme (NDIS) revenue	Funding contributions by the state and territory governments to NDIS are treated as sales of goods and services revenue.  In-kind disability services provided by the state and territory governments are treated as other revenue.	Funding contributions by the state and territory governments to NDIS are treated as grants revenue.  In-kind disability services provided by the states and territory governments are treated as sales of goods and services revenue.	AAS

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

<b>Issue</b>	<b>AAS treatment</b>	<b>ABS GFS treatment</b>	<b>Treatment adopted</b>
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
<b>Fiscal aggregates differences</b>			
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 sectors	Calculated as financial assets less total liabilities.	Calculated as financial assets less total liabilities less shares and contributed capital.	AAS
<b>Classification differences</b>			
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 at which 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 at which control is transferred. Recognise cash at the time of receipt.	AAS

**Note 3: Taxation revenue by type**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Individuals and other withholding taxes			
Gross income tax withholding	207,600	206,405	-1,195
Gross other individuals	50,200	51,555	1,355
<i>less: Refunds</i>	29,500	29,514	14
Total individuals and other withholding tax	228,300	228,445	145
Fringe benefits tax	3,870	3,893	23
Company tax	95,600	94,713	-887
Superannuation fund taxes	11,320	10,910	-410
Petroleum resource rent tax(a)	1,250	1,202	-48
<b>Income taxation revenue</b>	<b>340,340</b>	<b>339,163</b>	<b>-1,177</b>
Goods and services tax	68,065	66,385	-1,680
Wine equalisation tax	1,030	995	-35
Luxury car tax	640	688	48
Excise and customs duty			
Petrol	6,010	6,078	68
Diesel	11,570	11,679	109
Other fuel products	2,220	2,188	-32
Tobacco	12,850	12,147	-703
Beer	2,560	2,495	-65
Spirits	2,320	2,397	77
Other alcoholic beverages(b)	990	1,001	11
Other customs duty			
Textiles, clothing and footwear	200	208	8
Passenger motor vehicles	450	449	-1
Other imports	1,320	1,313	-7
<i>less: Refunds and drawbacks</i>	600	523	-77
Total excise and customs duty	39,890	39,432	-458
Major bank levy	1,560	1,566	6
Agricultural levies	542	563	21
Other taxes	7,018	7,280	262
Mirror taxes	607	607	0
<i>less: Transfers to states in relation to mirror tax revenue</i>	607	607	0
Mirror tax revenue	0	0	0
<b>Indirect taxation revenue</b>	<b>118,745</b>	<b>116,908</b>	<b>-1,837</b>
<b>Taxation revenue</b>	<b>459,085</b>	<b>456,072</b>	<b>-3,013</b>
<i>Memorandum:</i>			
<i>Total excise</i>	23,370	23,488	118
<i>Total customs duty</i>	16,520	15,944	-576

(a) This item includes an amount of MRRT revenue which has not been separately disclosed owing to taxpayer confidentiality.

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

**Note 3(a): Taxation revenue by source**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Taxes on income, profits and capital gains			
Income and capital gains levied on individuals	232,170	232,344	174
Income and capital gains levied on enterprises	108,170	106,819	-1,351
<b>Total taxes on income, profits and capital gains</b>	<b>340,340</b>	<b>339,163</b>	<b>-1,177</b>
Taxes on employers' payroll and labour force	957	1,069	112
Taxes on the provision of goods and services			
Sales/goods and services tax	69,735	68,067	-1,668
Excises and levies	23,912	24,051	139
Taxes on international trade	16,520	15,944	-576
<b>Total taxes on the provision of goods and services</b>	<b>110,167</b>	<b>108,061</b>	<b>-2,105</b>
Taxes on the use of goods and performance of activities	7,621	7,778	156
<b>Total taxation revenue</b>	<b>459,085</b>	<b>456,072</b>	<b>-3,013</b>

**Note 4: Sales of goods and services revenue**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Sales of goods	1,331	1,306	-24
Rendering of services	10,082	9,175	-908
Operating lease rental	111	151	41
Fees from regulatory services	1,931	1,856	-75
<b>Total sales of goods and services revenue</b>	<b>13,455</b>	<b>12,488</b>	<b>-967</b>

**Note 5: Interest and dividend revenue**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Interest from other governments</b>			
State and territory debt	61	56	-5
Housing agreements	98	98	0
<b>Total interest from other governments</b>	<b>159</b>	<b>154</b>	<b>-5</b>
<b>Interest from other sources</b>			
Advances	328	333	5
Deposits	782	829	48
Indexation of HELP receivable and other student loans	795	645	-150
Other	2,773	2,516	-257
<b>Total interest from other sources</b>	<b>4,678</b>	<b>4,324</b>	<b>-354</b>
<b>Total interest</b>	<b>4,837</b>	<b>4,477</b>	<b>-360</b>
<b>Dividends</b>			
Dividends from other public sector entities	1,749	2,130	381
Other dividends	5,970	7,457	1,487
<b>Total dividends</b>	<b>7,718</b>	<b>9,587</b>	<b>1,869</b>
<b>Total interest and dividend revenue</b>	<b>12,555</b>	<b>14,064</b>	<b>1,509</b>

**Note 6: Other sources of non-taxation revenue**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Industry contributions	165	174	10
Royalties	1,435	1,432	-4
Seigniorage	72	62	-11
Other	9,028	9,054	26
<b>Total other sources of non-taxation revenue</b>	<b>10,701</b>	<b>10,722</b>	<b>21</b>

**Note 7: Employee and superannuation expense**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Wages and salaries expenses</b>	<b>20,693</b>	<b>19,775</b>	<b>-918</b>
<b>Other operating expenses</b>			
Leave and other entitlements	2,485	3,312	827
Separations and redundancies	107	243	136
Workers compensation premiums and claims	1,615	1,866	251
Other	2,486	2,478	-9
<b>Total other operating expenses</b>	<b>6,693</b>	<b>7,900</b>	<b>1,206</b>
<b>Superannuation expenses</b>			
Superannuation	9,043	8,845	-198
Superannuation interest cost	9,447	9,736	289
<b>Total superannuation expenses</b>	<b>18,490</b>	<b>18,581</b>	<b>91</b>
<b>Total employee and superannuation expense</b>	<b>45,876</b>	<b>46,255</b>	<b>379</b>

**Note 8: Depreciation and amortisation expense**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Depreciation</b>			
Specialist military equipment	4,392	4,620	229
Buildings	1,465	1,486	22
Other infrastructure, plant and equipment	1,665	1,653	-12
Heritage and cultural assets	79	78	-1
<b>Total depreciation</b>	<b>7,600</b>	<b>7,838</b>	<b>238</b>
<b>Total amortisation</b>	<b>1,142</b>	<b>1,175</b>	<b>33</b>
<b>Total depreciation and amortisation expense</b>	<b>8,742</b>	<b>9,013</b>	<b>271</b>

**Note 9: Supply of goods and services expense**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Supply of goods and services	33,414	31,624	-1,790
Operating lease rental expenses	2,616	2,679	63
Personal benefits – indirect	74,269	72,225	-2,044
Health care payments	4,750	4,686	-64
Other	2,659	4,125	1,466
<b>Total supply of goods and services expense</b>	<b>117,709</b>	<b>115,339</b>	<b>-2,369</b>

**Note 10: Interest expense**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Interest on debt</b>			
Government securities	17,134	17,088	-46
Loans	0	2	1
Other	222	196	-27
<b>Total interest on debt</b>	<b>17,356</b>	<b>17,285</b>	<b>-71</b>
<b>Other financing costs</b>	<b>1,019</b>	<b>787</b>	<b>-231</b>
<b>Total interest expense</b>	<b>18,375</b>	<b>18,072</b>	<b>-303</b>

**Note 11: Current and capital grants expense**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Current grants expense</b>			
State and territory governments	119,275	117,728	-1,546
Private sector	9,883	9,857	-26
Overseas	3,862	3,803	-59
Non-profit organisations	4,201	5,330	1,129
Multi-jurisdictional sector	10,478	10,220	-258
Other	1,154	1,049	-105
<b>Total current grants expense</b>	<b>148,852</b>	<b>147,987</b>	<b>-865</b>
<b>Capital grants expense</b>			
Mutually agreed write-downs	1,317	1,207	-110
Other capital grants			
State and territory governments	8,293	8,767	474
Local governments	436	436	0
Non-profit organisations	719	550	-169
Private sector	176	85	-91
Other	250	116	-134
<b>Total capital grants expense</b>	<b>11,192</b>	<b>11,161</b>	<b>-31</b>
<b>Total grants expense</b>	<b>160,044</b>	<b>159,148</b>	<b>-896</b>

**Note 12: Personal benefits expense**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Social welfare - assistance to the aged	47,005	46,827	-178
Assistance to veterans and dependants	4,982	5,027	46
Assistance to people with disabilities	25,469	25,416	-52
Assistance to families with children	26,807	27,025	219
Assistance to the unemployed	10,443	10,558	115
Student assistance	2,329	2,340	11
Other welfare programs	1,089	940	-150
Financial and fiscal affairs	420	322	-98
Vocational and industry training	41	31	-10
Other	6,646	6,838	192
<b>Total personal benefits expense</b>	<b>125,230</b>	<b>125,324</b>	<b>94</b>

**Note 13: Advances paid and other receivables**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Advances paid</b>			
Loans to state and territory governments	3,935	3,603	-332
Student loans	47,536	51,689	4,153
Other	20,095	20,366	271
/less Impairment allowance(a)	558	264	-294
<b>Total advances paid</b>	<b>71,008</b>	<b>75,394</b>	<b>4,386</b>
<b>Other receivables</b>			
Goods and services receivable	1,334	1,325	-9
Recoveries of benefit payments	5,995	5,593	-401
Taxes receivable	26,623	26,366	-257
Prepayments	4,014	4,254	240
Other	21,328	22,254	926
/less Impairment allowance(a)	3,594	2,870	-724
<b>Total other receivables</b>	<b>55,700</b>	<b>56,923</b>	<b>1,223</b>

(a) Disclosed as 'provision for doubtful debts' in the 2019-20 Budget Paper No. 1.



**Note 14: Investments, loans and placements**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Investments - deposits	36,464	34,031	-2,433
IMF quota	12,732	13,028	295
Other	126,020	140,890	14,870
<b>Total investments, loans and placements</b>	<b>175,216</b>	<b>187,949</b>	<b>12,733</b>

**Note 15: Non-financial assets**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Land and buildings</b>			
Land	11,586	11,831	245
Buildings	27,072	27,275	203
<b>Total land and buildings</b>	<b>38,658</b>	<b>39,106</b>	<b>448</b>
<b>Plant, equipment and infrastructure</b>			
Specialist military equipment	65,846	66,560	714
Other	15,897	15,396	-501
<b>Total plant, equipment and infrastructure</b>	<b>81,742</b>	<b>81,955</b>	<b>213</b>
<b>Inventories</b>			
Inventories held for sale	1,325	1,141	-184
Inventories not held for sale	7,071	7,804	732
<b>Total inventories</b>	<b>8,397</b>	<b>8,944</b>	<b>548</b>
<b>Intangibles</b>			
Computer software	4,307	4,460	153
Other	4,732	4,314	-418
<b>Total intangibles</b>	<b>9,039</b>	<b>8,774</b>	<b>-265</b>
<b>Total investment properties</b>	<b>193</b>	<b>160</b>	<b>-33</b>
<b>Total biological assets</b>	<b>20</b>	<b>27</b>	<b>6</b>
<b>Total heritage and cultural assets</b>	<b>11,604</b>	<b>11,694</b>	<b>90</b>
<b>Total assets held for sale</b>	<b>183</b>	<b>293</b>	<b>111</b>
<b>Total other non-financial assets</b>	<b>34</b>	<b>35</b>	<b>1</b>
<b>Total non-financial assets</b>	<b>149,869</b>	<b>150,989</b>	<b>1,120</b>

**Note 16: Loans**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
Promissory notes	10,364	9,988	-375
Special drawing rights	5,973	6,111	139
Other	406	1,042	637
<b>Total loans</b>	<b>16,742</b>	<b>17,142</b>	<b>400</b>

**Note 17: Employee and superannuation liabilities**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Total superannuation liability(a)</b>	<b>223,720</b>	<b>415,227</b>	<b>191,507</b>
<b>Other employee liabilities</b>			
Leave and other entitlements	8,286	8,692	406
Accrued salaries and wages	265	281	16
Workers compensation claims	2,475	2,026	-449
Military compensation	8,722	14,651	5,929
Other	418	499	81
<b>Total other employee liabilities</b>	<b>20,166</b>	<b>26,149</b>	<b>5,983</b>
<b>Total employee and superannuation liabilities</b>	<b>243,886</b>	<b>441,376</b>	<b>197,490</b>

(a) For budget reporting purposes, a discount rate of 5 per cent determined by actuaries in preparing the 2017 Long Term Cost Reports is used to value the superannuation liability. This reflects the average annual rate estimated to apply over the term of the liability and it reduces the volatility in reported liabilities that would occur from year to year if the spot rates on long-term government bonds were used. Consistent with AAS, the superannuation liability for the 2018-19 FBO was calculated using the spot rates on long-term government bonds as at 30 June 2019 that best matched each individual scheme's liability duration. These rates were between 1.4 and 1.9 per cent per annum.

**Note 18: Provisions and payables**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Suppliers payable</b>			
Trade creditors	4,293	6,029	1,736
Operating lease rental payable	502	523	21
Personal benefits payables - indirect	614	956	342
Other creditors	618	765	147
<b>Total suppliers payables</b>	<b>6,027</b>	<b>8,273</b>	<b>2,246</b>
<b>Total personal benefits payables - direct</b>	<b>3,389</b>	<b>2,994</b>	<b>-395</b>
<b>Total subsidies payable</b>	<b>519</b>	<b>630</b>	<b>111</b>
<b>Grants payables</b>			
State and territory governments	84	163	79
Non-profit organisations	223	235	12
Private sector	334	526	193
Overseas	1,482	1,565	84
Local governments	1	32	31
Other	1,415	221	-1,195
<b>Total grants payables</b>	<b>3,539</b>	<b>2,743</b>	<b>-796</b>
<b>Total other payables</b>	<b>2,316</b>	<b>3,210</b>	<b>894</b>
<b>Provisions</b>			
Provisions for tax refunds	3,437	3,903	466
Grants provisions	7,486	8,737	1,251
Personal benefits provisions - direct	7,179	6,841	-338
Personal benefits provisions - indirect	2,377	2,371	-6
Other	15,143	21,178	6,035
<b>Total provisions</b>	<b>35,622</b>	<b>43,030</b>	<b>7,408</b>

**Note 19: Reconciliation of cash**

	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2019-20 Budget \$m
<b>Net operating balance (revenues less expenses)</b>	<b>8,452</b>	<b>8,692</b>	<b>240</b>
<i>less</i> Revenues not providing cash			
Other	1,130	1,853	723
<b>Total revenues not providing cash</b>	<b>1,130</b>	<b>1,853</b>	<b>723</b>
<i>plus</i> <b>Expenses not requiring cash</b>			
Increase/(decrease) in employee entitlements	10,115	6,734	-3,381
Depreciation/amortisation expense	8,742	9,013	271
Mutually agreed write-downs	1,317	1,207	-110
Other	214	37	-177
<b>Total expenses not requiring cash</b>	<b>20,388</b>	<b>16,991</b>	<b>-3,397</b>
<i>plus</i> <b>Cash provided/(used) by working capital items</b>			
Decrease/(increase) in inventories	-118	-637	-519
Decrease/(increase) in receivables	-8,739	-10,478	-1,739
Decrease/(increase) in other financial assets	-329	694	1,023
Decrease/(increase) in other non-financial assets	-840	-442	398
Increase/(decrease) in benefits, subsidies and grants payable	408	247	-161
Increase/(decrease) in suppliers' liabilities	-635	1,510	2,145
Increase/(decrease) in other provisions and payables	-790	6,531	7,321
<b>Net cash provided/(used) by working capital</b>	<b>-11,043</b>	<b>-2,575</b>	<b>8,468</b>
<i>equals</i> (Net cash from/(to) operating activities)	16,665	21,253	4,588
<i>plus</i> (Net cash from/(to) investing activities)	-27,404	-27,385	19
<b>Net cash from operating activities and investment</b>	<b>-10,739</b>	<b>-6,132</b>	<b>4,608</b>
<i>plus</i> (Net cash from/(to) financing activities)	11,523	7,873	-3,650
<b>equals Net increase/(decrease) in cash</b>	<b>783</b>	<b>1,741</b>	<b>958</b>
<b>Cash at the beginning of the year</b>	<b>6,783</b>	<b>6,783</b>	<b>0</b>
Net increase/(decrease) in cash	783	1,741	958
<b>Cash at the end of the year</b>	<b>7,563</b>	<b>8,521</b>	<b>958</b>

## 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 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. AASB 1049 recognises the GGS as a reporting entity.

#### AASB 1049 Conceptual framework

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. AASB 1049 also provides a basis for whole-of-government reporting, including for the PNFC and PFC sectors.

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 the 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*.<sup>1</sup>

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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, 2015* (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.<sup>2</sup>

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.

'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.

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<sup>2</sup> 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.

### **Net operating balance**

The net operating balance is the excess of revenue from transactions over expenses from transactions. The net operating balance excludes expenditure on the acquisition of capital assets, but includes non-cash costs such as accruing superannuation entitlements and the consumption of capital (depreciation). By including all accruing costs, including depreciation, the net operating balance encompasses the full current cost of providing government services. This makes it a measure of the sustainability of the government's fiscal position over time and provides an indication of the sustainability of the existing level of government services.

The net operating balance is a flow measure on the operating statement.

### **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.<sup>3</sup>

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.

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<sup>3</sup> The net operating balance includes consumption of non-financial assets because depreciation is an expense. Depreciation is deducted in the calculation of net capital investment as the full investment in non-financial assets is included in the calculation of fiscal balance.

### **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.

### **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 in 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 assets<sup>4</sup> (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.

The 2015 ABS GFS Manual presents debt in a matrix format, with no single net debt aggregate identified. The Australian Government continues to report net debt in accordance with the UPF as described above.

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<sup>4</sup> 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.



## 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 is the cash counterpart of the fiscal balance, reflecting the Australian Government's cash investment-saving balance.

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>equals</i>
ABS GFS cash surplus/deficit
<i>less</i>
Net acquisitions of assets acquired under finance leases and similar arrangements <sup>5</sup>
<i>less</i>
Net Future Fund cash earnings
<i>equals</i>
Underlying cash balance

Under the *Future Fund Act 2006*, earnings are required to be reinvested to meet the Government's future public sector superannuation liabilities. The Government excludes net Future Fund cash earnings from the calculation of the underlying cash balance between 2005-06 and 2019-20. From 2020-21 onwards, net Future Fund cash earnings will be included in the calculation of the underlying cash balance because the Future Fund becomes available to meet the Government's superannuation liabilities from that year.

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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.

## *Part 2: Australian Government Financial Statements*

In contrast, net Future Fund earnings are included in the net operating balance and fiscal balance for all years because superannuation expenses relating to future cash payments are recorded in the net operating balance and 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 net Future Fund earnings to the underlying cash balance.

Net cash flows from investments in financial assets for policy purposes include equity transactions and advances paid.<sup>6</sup> Equity transactions include equity injections into controlled businesses and privatisations of government businesses. Advances paid include net loans to the states, and net loans to students.

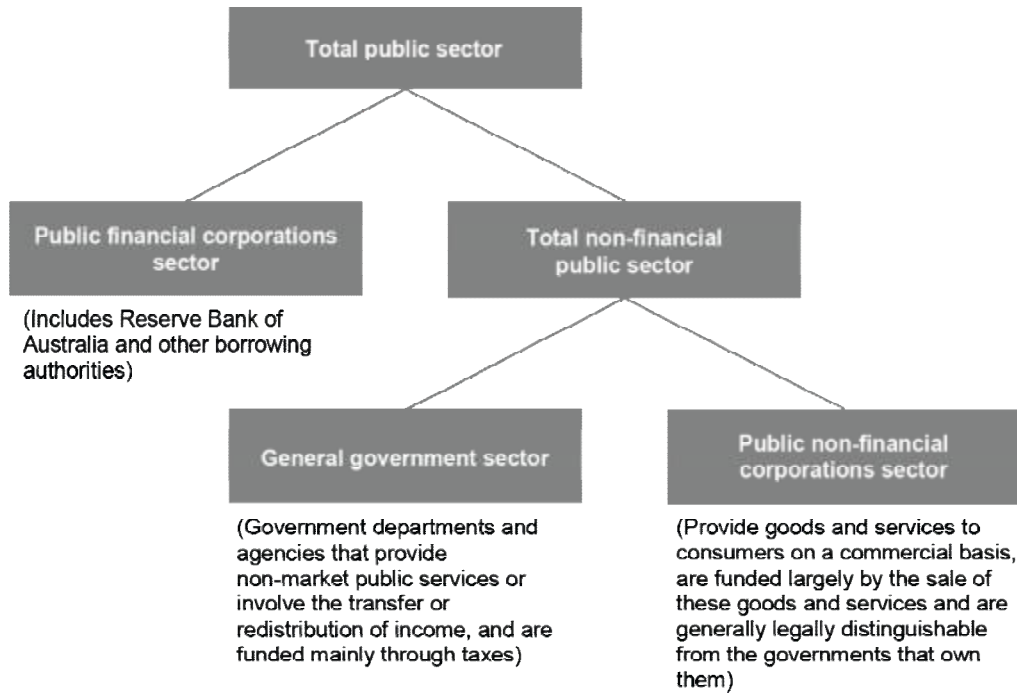
### **Sectoral classifications**

To assist in analysing the public sector, data are presented by institutional sector as shown in Figure 1. The ABS GFS defines the GGS, PNFC and PFC sectors. AASB 1049 has also adopted this sectoral reporting.

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<sup>6</sup> Net cash flows from investments in financial assets for policy purposes are often referred to as net advances.

**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 under the current portfolio structure is available on the Department of Finance website at: [www.finance.gov.au/resource-management/governance/#flipchart](http://www.finance.gov.au/resource-management/governance/#flipchart).

**Table 23: Entities outside of the general government sector — 2018-19**

<b>Public financial corporations</b>
Attorney-General's Portfolio
<ul style="list-style-type: none"><li>• Coal Mining Industry (Long Service Leave Funding) Corporation</li></ul>
Foreign Affairs and Trade Portfolio
<ul style="list-style-type: none"><li>• Export Finance and Insurance Corporation (Efic)</li></ul>
Industry, Innovation and Science Portfolio
<ul style="list-style-type: none"><li>• CSIRO General Partner Pty Ltd</li><li>• CSIRO General Partner 2 Pty Ltd</li><li>• CSIRO FollowOn Services Pty Ltd</li></ul>
Treasury Portfolio
<ul style="list-style-type: none"><li>• Australian Reinsurance Pool Corporation</li><li>• National Housing Finance and Investment Corporation (Bond Aggregator)*</li><li>• Reserve Bank of Australia</li></ul>
<b>Public non-financial corporations</b>
Communications and the Arts Portfolio
<ul style="list-style-type: none"><li>• Australian Postal Corporation (Australia Post)</li><li>• nbn Co Ltd</li></ul>
Environment and Energy Portfolio
<ul style="list-style-type: none"><li>• Snowy Hydro Limited</li></ul>
Finance Portfolio
<ul style="list-style-type: none"><li>• ASC Pty Ltd</li><li>• Australian Naval Infrastructure Pty Ltd</li></ul>
Social Services Portfolio
<ul style="list-style-type: none"><li>• Australian Hearing Services (Australian Hearing)</li></ul>
Infrastructure, Transport, Cities and Regional Development Portfolio
<ul style="list-style-type: none"><li>• Airservices Australia</li><li>• Australian Rail Track Corporation Limited</li><li>• Moorebank Intermodal Company Limited</li><li>• WSA Co Ltd</li></ul>
Industry, Innovation and Science Portfolio
<ul style="list-style-type: none"><li>• ANSTO Nuclear Medicine Pty Ltd</li></ul>

**Table 23: Entities outside of the general government sector — 2018-19  
(continued)**

<b>Public non-financial corporations (continued)</b>
Prime Minister and Cabinet Portfolio
<ul style="list-style-type: none"><li>• Voyages Indigenous Tourism Australia Pty Ltd</li></ul>

\* The National Housing Finance and Investment Corporation (NHFIC), a corporate Commonwealth entity, operates an affordable housing bond aggregator to encourage greater private and institutional investment and provide cheaper and longer-term finance to registered providers of affordable housing. The NHFIC bond aggregator is a PFC. NHFIC also administers the National Housing Infrastructure Facility (the Facility). The Facility is included in the GGS.



## PART 3: AUSTRALIA'S FEDERAL RELATIONS

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

Australian Government 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 can be found in Budget Paper No. 3, *Federal Financial Relations 2019-20* and on the Federal Financial Relations website at: [www.federalfinancialrelations.gov.au](http://www.federalfinancialrelations.gov.au).

### OVERVIEW OF PAYMENTS TO THE STATES

The states receive substantial financial support from the Australian Government. In 2018-19, the Australian Government provided the states with payments totalling \$126.9 billion, comprising specific purpose payments of \$60.3 billion and general revenue assistance (including GST entitlements) of \$66.6 billion, as shown in Table 25. Payments to the states constituted 26.2 per cent of total Australian Government expenditure in 2018-19.

**Table 25: Australian Government payments to the states, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments for specific purposes	17,550	14,110	13,898	6,100	5,025	1,503	955	1,149	60,291
General revenue assistance	17,878	16,709	14,345	4,554	6,670	2,433	1,337	2,715	66,641
<b>Total payments to the states</b>	<b>35,428</b>	<b>30,820</b>	<b>28,243</b>	<b>10,655</b>	<b>11,695</b>	<b>3,936</b>	<b>2,291</b>	<b>3,864</b>	<b>126,932</b>

### PAYMENTS FOR SPECIFIC PURPOSES

The Australian Government provides payments to the states for specific purposes in policy areas administered by the states, including health, education, skills and workforce development, community services, housing, Indigenous affairs, infrastructure and the environment.

In 2018-19, the Australian Government provided the following types of specific purpose payments to the states:

- National Specific Purpose Payments (National SPPs) in respect of disability services and skills and workforce development;
- National Health Reform funding for public hospitals;
- Quality Schools funding for government and non-government schools;

*Part 3: Australia's Federal Relations*

- National Housing and Homelessness funding; and
- National Partnership payments across a wide range of policy areas.

**National SPPs, National Health Reform, Quality Schools and National Housing and Homelessness funding**

In 2018-19, the Australian Government continued to provide funding for key service delivery sectors through National SPPs, National Health Reform funding, Quality Schools funding and National Housing and Homelessness funding. The National SPPs are:

- the National Skills and Workforce Development SPP; and
- the National Disability 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 were made in advance based on Australian Government estimates of the relevant growth factors. A balancing adjustment is made after the end of the financial year once final growth factor data is 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.

The Australian Government is working with all jurisdictions to implement the National Disability Insurance Scheme (NDIS). When the NDIS is fully implemented in a state, the Disability NSPP is redirected to the National Disability Insurance Agency.

Payments made throughout the year for National Health Reform were made in advance on the basis of advice from the Administrator of the National Health Funding Pool. This funding is calculated by reference to growth in public hospital activity and the national efficient price determined by the Independent Hospital Pricing Authority. The amounts published are for payments made in respect of services delivered in 2018-19, and previous years. The Treasurer will determine the final amount and state allocations for 2018-19 following the Administrator's final reconciliation of activity data.

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



Quality Schools is a needs-based funding model introduced in the 2017-18 Budget that aims to improve the educational outcomes of Australian students. Funding is provided to government and non-government schools in all states, which includes recurrent funding, capital funding and special circumstances funding for non-government schools, funding for non-government representative bodies and other prescribed-purpose funding.

Payments made throughout the year for National Housing and Homelessness were made in advance based on Australian Government estimates of the relevant growth factors. A balancing adjustment is made after the end of the financial year once final growth factor data is available.

National Housing and Homelessness funding was introduced in 2018-19 and is made up of a general funding component and a homelessness funding component which is matched by the states. The general funding is allocated to the states in accordance with population shares based on the Australian Statistician's determination as at 31 December of that year. The homelessness funding is allocated in accordance with the state's share of total homelessness based on 2006 Australian Bureau of Statistics Census homelessness estimates.

### **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 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](http://www.federalfinancialrelations.gov.au).

### **Total payments for specific purposes**

In 2018-19, the states received \$60.3 billion in payments for specific purposes, which constituted 12.4 per cent of total Australian Government expenditure.

Total payments for specific purposes, including National SPPs, National Health Reform funding, Quality Schools funding, National Housing and Homelessness funding and National Partnership payments are shown in Table 26.

Part 3: Australia's Federal Relations

**Table 26: Total payments for specific purposes by category, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Specific Purpose Payments	485	811	628	324	105	66	26	31	2,475
National Health Reform funding(a)	6,737	5,049	5,239	2,269	1,320	425	413	286	21,738
Quality Schools funding	6,131	4,895	4,247	1,959	1,390	457	333	353	19,765
National Housing and Homelessness funding	476	395	314	164	108	33	26	20	1,536
National Partnership payments(b)	3,720	2,960	3,469	1,385	2,102	522	156	461	14,777
<b>Total payments for specific purposes</b>	<b>17,550</b>	<b>14,110</b>	<b>13,898</b>	<b>6,100</b>	<b>5,025</b>	<b>1,503</b>	<b>955</b>	<b>1,149</b>	<b>60,291</b>

(a) Entitlements for 2018-19 will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool and a subsequent Determination by the Treasurer.

(b) Includes financial assistance grants for local governments.

Total payments for specific purposes by sector and category, including National SPPs, National Health Reform funding, Quality Schools funding, National Housing and Homelessness funding and National Partnership payments, are shown in Table 27.

**Table 27: Total payments for specific purposes by sector and category, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Health</i>									
National Health Reform funding(a)	6,737	5,049	5,239	2,269	1,320	425	413	286	21,738
National Partnerships	107	70	91	40	54	42	8	28	441
<b>Total health payments</b>	<b>6,844</b>	<b>5,119</b>	<b>5,330</b>	<b>2,309</b>	<b>1,374</b>	<b>467</b>	<b>422</b>	<b>314</b>	<b>22,178</b>
<i>Education</i>									
Quality Schools funding	6,131	4,895	4,247	1,959	1,390	457	333	353	19,765
National Partnerships	130	134	103	55	37	11	9	41	520
<b>Total education payments</b>	<b>6,262</b>	<b>5,029</b>	<b>4,350</b>	<b>2,013</b>	<b>1,427</b>	<b>468</b>	<b>343</b>	<b>394</b>	<b>20,285</b>
<i>Skills and workforce development</i>									
National Skills and Workforce Development SPP	485	393	304	157	105	32	26	15	1,517
National Partnerships	94	-	-	18	20	9	5	3	149
<b>Total skills and workforce development payments</b>	<b>579</b>	<b>393</b>	<b>304</b>	<b>175</b>	<b>125</b>	<b>41</b>	<b>30</b>	<b>18</b>	<b>1,666</b>
<i>Community services</i>									
National Disability SPP	..	418	324	167	-	34	-	16	958
National Partnerships	547	1,224	94	94	295	120	1	102	2,478
<b>Total community services payments</b>	<b>548</b>	<b>1,642</b>	<b>417</b>	<b>261</b>	<b>295</b>	<b>154</b>	<b>1</b>	<b>118</b>	<b>3,436</b>
<i>Affordable housing</i>									
National Housing and Homelessness funding	476	395	314	164	108	33	26	20	1,536
National Partnerships	1	-	-	121	38	-	-	62	222
<b>Total affordable housing payments</b>	<b>477</b>	<b>395</b>	<b>314</b>	<b>285</b>	<b>145</b>	<b>33</b>	<b>26</b>	<b>82</b>	<b>1,757</b>
<i>Infrastructure</i>									
National Partnerships	1,868	707	1,193	704	1,336	115	52	166	6,141
<i>Environment</i>									
National Partnerships	69	156	375	12	78	91	15	6	803
<i>Contingent payments</i>									
National Partnerships	1	2	1,034	12	..	49	-	7	1,105
<i>Other</i>									
National Partnerships(b)	902	667	579	330	244	85	65	45	2,918
<b>Total payments for specific purposes</b>	<b>17,550</b>	<b>14,110</b>	<b>13,898</b>	<b>6,100</b>	<b>5,025</b>	<b>1,503</b>	<b>955</b>	<b>1,149</b>	<b>60,291</b>

(a) Entitlements for 2018-19 will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool and a subsequent Determination by the Treasurer.

(b) Includes financial assistance grants for local governments.

### The Disaster Recovery Funding Arrangements and the Natural Disaster Relief and Recovery Arrangements

The Australian Government provides funding under the Disaster Recovery Funding Arrangements (DRFA) and the Natural Disaster Relief and Recovery Arrangements (NDRRA) to assist the states in relief and recovery efforts following eligible natural disasters.

For accounting purposes, the Australian Government recognises a liability equal to the present value of future payments expected to be made to the states under the DRFA and the NDRRA. This is regardless of whether a state has completed eligible disaster reconstruction work or submitted an eligible claim. Total cash payments in 2018-19 are presented in Table 28 below. See Table 43 in Attachment A for the expense outcome.

**Table 28: DRFA and NDRRA cash payments, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
DRFA and NDRRA	12.0	-	362.2	8.7	2.2	5.0	-	-	390.1
<b>Total</b>	<b>12.0</b>	<b>-</b>	<b>362.2</b>	<b>8.7</b>	<b>2.2</b>	<b>5.0</b>	<b>-</b>	<b>-</b>	<b>390.1</b>

### GENERAL REVENUE ASSISTANCE

General revenue assistance is provided to the states, without conditions, to spend according to their own budget priorities.

In 2018-19, the states received \$66.6 billion in general revenue assistance from the Australian Government, comprising \$65.2 billion in GST entitlements and \$1.5 billion of other general revenue assistance (Table 29). Total general revenue assistance to the states constituted 13.8 per cent of total Australian Government expenditure in 2018-19.

**Table 29: General revenue assistance, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement(a)	17,826.3	16,683.4	14,345.2	3,193.0	6,669.9	2,433.3	1,296.4	2,712.2	65,159.7
Other payments									
ACT municipal services	-	-	-	-	-	-	40.1	-	40.1
Compensation for reduced royalties	-	-	-	28.9	-	-	-	-	28.9
Royalty payments	-	-	-	898.4	-	-	-	2.4	900.7
Snowy Hydro Limited tax compensation	51.7	25.9	-	-	-	-	-	-	77.6
Transitional GST top-up payments(b)	-	-	-	434.0	-	-	-	-	434.0
Total other general revenue assistance	51.7	25.9	-	1,361.2	-	-	40.1	2.4	1,481.3
<b>Total</b>	<b>17,878.0</b>	<b>16,709.3</b>	<b>14,345.2</b>	<b>4,554.2</b>	<b>6,669.9</b>	<b>2,433.3</b>	<b>1,336.5</b>	<b>2,714.6</b>	<b>66,641.0</b>

(a) The 2018-19 GST outcome will be finalised following a Determination by the Treasurer. This figure reflects the most recent data received from the Australian Taxation Office.

(b) The Government paid Western Australia \$434 million of its 2019-20 top-up payment in 2018-19.

## GST payments

Under the *Federal Financial Relations Act 2009*, the states are entitled to receive payments from the Australian Government equivalent to the revenue raised from the GST in any given financial year, subject to some minor adjustments as discussed below.

- Some GST revenue accrued during a financial year is not remitted to the Australian Taxation Office (ATO) by 30 June of that year, because it is not due to be paid until Business Activity Statements (BAS) are lodged the following financial year.
- Penalties owed to the ATO, other than general interest charge (GIC) penalties, are not included in the GST to be paid to the states, as defined in the *Federal Financial Relations Act 2009*.
- Some GST collected by Australian Government agencies is not remitted to the ATO by 30 June in each financial year because it is not due to be paid until the next BAS is lodged.

In 2018-19, GST revenue was \$66.4 billion. A reconciliation of GST revenue and the states' GST entitlement is provided in Table 30.

**Table 30: Reconciliation of GST revenue and the states' GST entitlement, 2018-19**

\$million	Total
GST revenue	66,385.0
less Change in GST receivables	1,180.8
GST receipts	65,204.2
less Non-GIC penalties collected	109.8
less Net GST collected by Commonwealth agencies but not yet remitted to the ATO	-65.4
<b>States' GST entitlement(a)</b>	<b>65,159.7</b>

(a) The 2018-19 GST outcome will be finalised following a Determination by the Treasurer.

The Australian Government made monthly payments (advances) to the states throughout 2018-19 based on GST estimates, as updated at the 2018-19 MYEFO and 2019-20 Budget. GST estimates were used because the actual amount of GST revenue collected in 2018-19 is not known until after the end of the financial year.

For 2018-19, the states' GST entitlement is expected to be \$65.2 billion. This is \$470.3 million lower than the advances paid during 2018-19. Once the Treasurer has made a Determination of the GST entitlement for 2018-19, a balancing adjustment will be made to each state's payments to ensure the states receive the GST to which they are entitled. Table 31 provides a reconciliation of the states' GST entitlement and GST advances.

**Table 31: States' GST entitlement and GST advances, 2018-19**

\$million	Total
States' GST entitlement(a)	65,159.7
less Advances of GST made throughout 2018-19	65,630.0
<i>equals</i> Balancing adjustment	-470.3

(a) The 2018-19 GST outcome will be finalised following a Determination by the Treasurer.

### Distribution of the GST among the states

The Australian Government distributes the GST among the states based on the GST revenue sharing relativities recommended by the Commonwealth Grants Commission.

Following consultation with the states, the Treasurer issued a Determination of the GST revenue sharing relativities for 2018-19 in July 2018. The relativities for 2018-19 are shown in Table 32.

**Table 32: GST relativities, 2018-19**

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2018-19	0.85517	0.98670	1.09584	0.47287	1.47727	1.76706	1.18070	4.25816

The detailed calculation for the distribution of the GST entitlement in 2018-19 is shown in Table 33. This method of calculation is prescribed in legislation in the *Federal Financial Relations Act 2009*. The entitlements are allocated using the population as at 31 December 2018, as determined by the Australian Statistician.

**Table 33: Calculation of the 2018-19 GST entitlements<sup>(a)</sup>**

	Population as at 31 December 2018 (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	8,046,070	0.85517	6,880,758	27.4	17,826.3
VIC	6,526,413	0.98670	6,439,612	25.6	16,683.4
QLD	5,052,827	1.09584	5,537,090	22.0	14,345.2
WA	2,606,338	0.47287	1,232,459	4.9	3,193.0
SA	1,742,744	1.47727	2,574,503	10.2	6,669.9
TAS	531,529	1.76706	939,244	3.7	2,433.3
ACT	423,811	1.18070	500,394	2.0	1,296.4
NT	245,854	4.25816	1,046,886	4.2	2,712.2
<b>Total</b>	<b>25,175,586</b>	<b>na</b>	<b>25,150,945</b>	<b>100.0</b>	<b>65,159.7</b>

(a) The 2018-19 GST outcome will be finalised following a Determination by the Treasurer.

Table 34 provides a summary of the advances made in 2018-19 against the states' estimated final entitlements shown in Table 33. The variance between advances paid in 2018-19 and the states' final entitlements will be included as an adjustment to payments in the 2019-20 financial year.

**Table 34: Summary of GST advances made in 2018-19 and distribution of the balancing adjustment across states<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement	17,826.3	16,683.4	14,345.2	3,193.0	6,669.9	2,433.3	1,296.4	2,712.2	65,159.7
18-19 advances	17,952.6	16,809.6	14,440.8	3,215.9	6,715.7	2,448.8	1,308.0	2,738.6	65,630.0
Balancing adjustment	-126.3	-126.2	-95.6	-22.9	-45.8	-15.4	-11.6	-26.4	-470.3

(a) The 2018-19 GST outcome will be finalised following a Determination by the Treasurer.

## GST administration

States compensate the Australian Government for the agreed costs incurred by the ATO in administering the GST, including costs incurred by the Department of Home Affairs, as shown in Table 35.

**Table 35: GST administration, 2018-19**

\$million	Actual	
	2017-18	2018-19
Australian Taxation Office budget	631.1	599.2
<i>less</i> Prior year adjustment	-	-
<i>equals</i> State government administration payments	631.1	599.2
<i>less</i> Australian Taxation Office outcome	631.1	599.2
<b><i>equals</i> Commonwealth budget impact</b>	-	-
<i>plus</i> Prior year adjustment	-	-
<i>equals</i> Following year adjustment	-	-

The estimated outcome for the 2018-19 GST administration expense is \$599.2 million.





**PAYMENTS TO THE STATES**

This attachment provides information on Australian Government payments to the states and local governments on an accruals basis. Details regarding Australian Government advances (loans) to the states, including repayments of advances and interest on advances, are provided in Table 47.

The following tables detail payments and other financial flows to the states for 2018-19:

Table 36 – health;

Table 37 – education;

Table 38 – skills and workforce development;

Table 39 – community services;

Table 40 – affordable housing;

Table 41 – infrastructure;

Table 42 – environment;

Table 43 – contingent liabilities;

Table 44 – other purposes;

Table 45 – general revenue assistance;

Table 46 – total payments, presented by function based on the International Monetary Fund’s Classification of the Functions of Government; and

Table 47 – estimated advances, repayment of advances and interest payments.

**Table 36: Payments for specific purposes to support state health services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Health Reform funding(a)</b>									
Hospital services	6,609.1	4,944.9	5,158.7	2,227.3	1,292.5	416.1	406.6	281.8	21,336.9
Public health	128.1	103.9	80.4	41.5	27.7	8.5	6.7	3.9	400.7
<b>National Partnership payments</b>									
<b>Health services</b>									
Expansion of the BreastScreen									
Australia program	4.8	3.8	3.0	1.6	1.1	0.3	0.2	0.2	14.9
Hummingbird House	-	-	0.8	-	-	-	-	-	0.8
Improving Health Services in Tasmania									
Subacute and acute projects	-	-	-	-	-	5.0	-	-	5.0
Management of Torres Strait / Papua New									
Guinea cross-border health issues	-	-	4.8	-	-	-	-	-	4.8
Mosquito control and cross border									
liaison in the Torres Strait	-	-	1.0	-	-	-	-	-	1.0
National Bowel Cancer Screening									
Program — participant follow-up	2.5	1.9	1.6	0.8	0.6	0.3	0.2	0.1	8.0
OzFoodNet	0.4	0.3	0.3	0.2	0.2	0.2	0.1	0.2	1.8
Royal Darwin Hospital — equipped,									
prepared and ready	-	-	-	-	-	-	-	16.3	16.3
Specialist dementia care	-	-	-	0.2	-	-	-	-	0.2
Vaccine-preventable diseases									
surveillance	0.2	0.2	0.2	0.1	0.1	..	..	0.1	0.9
Victorian Cytology service	-	10.3	-	-	-	-	-	-	10.3

(a) Entitlements for 2018-19 will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool, and a subsequent Determination by the Treasurer.

**Table 36: Payments for specific purposes to support state health services, 2018-19 (continued)**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>Health Infrastructure</b>									
Albury-Wodonga Cardiac Catheterisation Laboratory	-	1.0	-	-	-	-	-	-	1.0
Expansion of Clare Holland House	-	-	-	-	-	-	4.0	-	4.0
Fussell House accommodation	4.0	-	-	-	-	-	-	-	4.0
Health infrastructure projects	1.9	-	16.5	5.7	-	17.5	-	0.1	41.7
Redevelopment of Strathalbyn residential aged care facility	-	-	-	-	2.5	-	-	-	2.5
<b>Indigenous health</b>									
Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait	-	-	1.1	-	-	-	-	-	1.1
Improving trachoma control services for Indigenous Australians	-	-	0.3	1.6	1.3	-	-	1.8	5.1
Northern Territory remote Aboriginal investment — health component	-	-	-	-	-	-	-	6.4	6.4
Rheumatic fever strategy	-	-	1.8	1.8	0.8	-	-	0.9	5.4
<b>Other</b>									
Community Health, Hospitals and Infrastructure projects	16.4	21.2	8.1	3.2	36.7	14.4	0.8	0.2	100.8
Encouraging more clinical trials in Australia	-	0.2	0.3	0.2	0.1	0.1	0.2	0.1	1.2
Essential vaccines	5.0	3.6	2.7	1.7	1.0	0.5	0.5	0.5	15.4
Health Innovation Fund	36.7	-	-	13.3	-	-	-	-	50.0
National Coronial Information System	-	0.4	-	-	-	-	-	-	0.4
Public dental services for adults	34.4	26.9	48.8	9.7	9.4	3.4	2.2	1.4	136.0
Suicide prevention	0.8	0.5	-	-	-	0.3	0.1	-	1.8
<b>Total</b>	<b>6,844.0</b>	<b>5,119.0</b>	<b>5,330.3</b>	<b>2,309.0</b>	<b>1,374.0</b>	<b>466.6</b>	<b>421.6</b>	<b>313.9</b>	<b>22,178.5</b>

**Table 37: Payments for specific purposes to support state education services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>Quality Schools funding(a)(b)(c)</b>	6,131.2	4,895.0	4,247.1	1,958.7	1,390.2	456.9	333.4	352.7	19,765.0
<b>National Partnership payments</b>									
MoneySmart Teaching	-	-	-	-	0.1	-	0.1	-	0.3
National school chaplaincy program	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
Northern Territory Remote Aboriginal investment(a)									
Children and schooling component	-	-	-	-	-	-	-	35.8	35.8
School pathways program	-	-	-	0.6	0.6	-	-	-	1.2
Universal access to early childhood education	119.2	120.9	84.9	46.3	28.2	9.3	8.1	4.8	421.7
Total National Partnership payments	130.4	133.7	103.3	54.7	36.5	11.5	9.2	41.1	520.3
<b>Total</b>	<b>6,261.6</b>	<b>5,028.7</b>	<b>4,350.4</b>	<b>2,013.4</b>	<b>1,426.7</b>	<b>468.4</b>	<b>342.5</b>	<b>393.7</b>	<b>20,285.4</b>
<i>Memorandum item — payments for non-government schools included in payments above</i>									
<b>Quality Schools funding(a)(b)(c)</b>	3,703.6	3,125.9	2,513.9	1,219.3	871.6	257.4	226.3	162.6	12,080.6
<b>Total</b>	<b>3,703.6</b>	<b>3,125.9</b>	<b>2,513.9</b>	<b>1,219.3</b>	<b>871.6</b>	<b>257.4</b>	<b>226.3</b>	<b>162.6</b>	<b>12,080.6</b>

(a) Includes funding for non-government representative bodies.

(b) The 2018-19 Quality Schools funding outcome will be finalised following a Determination by the Minister for Education.

(c) Actual cash payments to non-government schools may be inclusive of GST. However, Final Budget Outcome figures are reported exclusive of GST.

**Table 38: Payments for specific purposes to support state skills and workforce development services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Skills and Workforce Development SPP</b>	484.8	393.2	304.4	157.0	105.0	32.0	25.5	14.8	1,516.9
<b>National Partnership payments</b>									
Job Ready Generation Package —									
North-West Tasmania	-	-	-	-	-	3.2	-	-	3.2
Skilling Australians Fund	93.8	-	-	18.4	20.1	5.5	4.9	2.9	145.6
Total National Partnership payments	93.8	-	-	18.4	20.1	8.6	4.9	2.9	148.7
<b>Total</b>	<b>578.6</b>	<b>393.2</b>	<b>304.4</b>	<b>175.4</b>	<b>125.1</b>	<b>40.6</b>	<b>30.4</b>	<b>17.7</b>	<b>1,665.6</b>

**Table 39: Payments for specific purposes to support state community services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Disability SPP (a)</b>	0.1	417.9	323.6	166.9	-	34.0	-	15.7	958.3
<b>National Partnership payments</b>									
Northern Territory Remote Aboriginal investment									
Community safety implementation plan	-	-	-	-	-	-	-	53.7	53.7
Pay equity for the social and community services sector	-	45.8	48.4	59.6	-	5.2	0.9	-	160.0
Payments from the DisabilityCare Australia Fund	547.0	1,101.6	-	-	295.3	101.8	-	42.2	2,087.8
Specialist disability services	-	76.6	45.4	27.3	-	12.3	-	6.3	167.8
Transition to NDIS in Western Australia	-	-	-	7.0	-	-	-	-	7.0
Women's Safety Package Technology Trials	0.5	0.4	-	-	0.1	0.4	-	-	1.5
Total National Partnership payments	547.5	1,224.5	93.8	93.9	295.4	119.7	0.9	102.2	2,477.8
<b>Total</b>	<b>547.6</b>	<b>1,642.4</b>	<b>417.3</b>	<b>260.8</b>	<b>295.4</b>	<b>153.7</b>	<b>0.9</b>	<b>117.9</b>	<b>3,436.0</b>

(a) Amounts recorded against NSW reflect finalisation of funding arrangements for 2017-18.

**Table 40: Payments for specific purposes to support state affordable housing services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Housing and Homelessness funding</b>	476.5	395.2	314.3	163.5	107.5	33.2	26.0	19.7	1,535.8
<b>National Partnership payments</b>									
National Regulatory System for Community Housing	0.8	-	-	-	-	-	-	-	0.8
Northern Territory Remote Aboriginal investment									
Remote Australia strategies component	-	-	-	-	-	-	-	27.3	27.3
Remote Housing	-	-	-	121.0	37.5	-	-	35.0	193.5
Total National Partnership payments	0.8	-	-	121.0	37.5	-	-	62.3	221.6
<b>Total</b>	<b>477.3</b>	<b>395.2</b>	<b>314.3</b>	<b>284.5</b>	<b>145.0</b>	<b>33.2</b>	<b>26.0</b>	<b>81.9</b>	<b>1,757.4</b>

**Table 41: Payments for specific purposes to support state infrastructure services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Partnership payments</b>									
Infrastructure Investment Program									
Black Spot Projects	23.4	5.2	14.2	6.6	6.4	2.3	0.9	2.5	61.5
Bridges Renewal Program	30.5	5.7	11.1	10.4	2.8	5.9	1.2	2.5	70.2
Developing Northern Australia									
Improving Cattle Supply Chains	-	-	22.8	-	-	-	-	11.1	33.9
Northern Australian Roads	-	-	37.6	48.1	-	-	-	53.5	139.2
Heavy Vehicle Safety and Productivity Program	15.4	8.0	14.7	1.9	2.3	0.6	-	9.7	52.6
National Rail Program	27.0	-	2.0	0.6	220.0	-	-	-	249.6
Rail investment component	-	447.4	-	21.9	20.2	13.2	-	-	502.7
Road investment component(a)	1,014.2	159.6	973.9	556.5	976.0	79.8	1.0	34.0	3,795.0
Roads of Strategic Importance	-	-	-	-	-	2.2	-	-	2.2
Roads to Recovery	98.3	68.8	84.2	58.3	29.3	10.4	5.0	10.2	364.5
Infrastructure Growth Package									
Asset Recycling Initiative	335.2	-	-	-	-	-	44.4	28.4	408.0
New investments	14.2	3.8	3.6	-	61.7	0.2	-	13.9	97.4
Western Sydney Infrastructure Plan	245.9	-	-	-	-	-	-	-	245.9
Drought Communities Program	43.7	4.9	27.1	-	17.2	0.1	-	-	93.0
Interstate Road Transport	0.1	0.1	..	..	..	..	..	..	0.2
Murray-Darling Basin Regional Economic Diversification Program	12.6	3.2	1.9	-	-	-	-	-	17.6
Western Sydney City Deal	7.8	-	-	-	-	-	-	-	7.8
<b>Total</b>	<b>1,868.2</b>	<b>706.8</b>	<b>1,193.2</b>	<b>704.2</b>	<b>1,336.1</b>	<b>114.6</b>	<b>52.5</b>	<b>165.7</b>	<b>6,141.3</b>
<i>Memorandum item — payments direct to local governments included in payments above</i>									
Drought Communities Program	43.7	4.9	27.1	-	17.2	0.1	-	-	93.0
Infrastructure Investment Program									
Roads to Recovery	97.8	68.8	84.2	58.3	20.2	10.4	-	3.7	343.4
<b>Total</b>	<b>141.4</b>	<b>73.7</b>	<b>111.4</b>	<b>58.3</b>	<b>37.4</b>	<b>10.5</b>	<b>-</b>	<b>3.7</b>	<b>436.5</b>

(a) A portion of Australian Government funding for road infrastructure is sourced from the additional net revenue received from the reintroduction of biannual indexation excise and excise-equivalent customs duty for all fuels (except aviation fuels), as announced in the 2014-15 Budget.

**Table 42: Payments for specific purposes to support state environment services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Partnership payments</b>									
Assistance for pest animal and weed management in drought-affected areas	0.5	-	1.0	0.3	0.3	-	-	-	2.0
Development of business cases for constraints measures and potential implementation	0.8	-	-	-	-	-	-	-	0.8
Environmental management of the former Rum Jungle mine site	-	-	-	-	-	-	-	2.5	2.5
Grants assistance to primary producers impacted by the North Queensland floods	-	-	300.0	-	-	-	-	-	300.0
Hydrogen energy supply chain pilot project	-	10.0	-	-	-	-	-	-	10.0
Implementation of the national insurance affordability initiative	-	-	5.0	-	-	-	-	-	5.0
Implementing water reform in the Murray-Darling Basin	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0
Management of established pest and weeds	1.1	1.6	1.4	1.0	0.9	0.1	..	0.5	6.8
Marinus Link	-	-	-	-	-	56.0	-	-	56.0
Mechanical fuel load reduction trials	0.5	-	-	-	-	-	-	-	0.5
National fire danger rating system	-	-	-	-	0.2	-	-	-	0.2
National Water Infrastructure Development Fund									
Feasibility studies	1.0	0.1	11.6	1.7	-	-	-	1.8	16.1
Capital component	-	23.8	-	-	19.1	11.3	-	-	54.2
Natural disaster resilience	6.8	-	-	6.3	2.1	-	-	-	15.1
On-farm emergency water infrastructure rebate	3.2	0.6	1.5	0.3	0.4	0.2	0.2	0.4	6.7
Pest and disease preparedness and response programs	0.1	-0.1	39.1	1.2	-0.1	-	-	0.7	40.8



**Table 42: Payments for specific purposes to support state environment services, 2018-19 (continued)**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Prepared communities	1.3	0.8	1.2	0.6	0.4	0.3	0.3	0.3	5.0
Preparing Australia package	7.4	2.0	-	-	-	-	-	-	9.4
South Australian River Murray sustainability program	-	-	-	-	-	-	-	-	-
Irrigation efficiency and water purchase	-	-	-	-	24.0	-	-	-	24.0
Irrigation industry assistance	-	-	-	-	7.5	-	-	-	7.5
Sustainable rural water use and infrastructure program	36.3	110.7	9.6	-	22.1	21.2	14.7	-	214.4
World Heritage sites	0.8	-	3.1	0.4	0.1	2.0	-	-	6.4
<b>Total</b>	<b>69.0</b>	<b>156.3</b>	<b>375.3</b>	<b>11.7</b>	<b>78.5</b>	<b>91.0</b>	<b>15.5</b>	<b>6.1</b>	<b>803.4</b>

**Table 43: Payments for specific purposes to support contingent state services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Partnership payments</b>									
Disaster Recovery Funding and Natural Disaster Relief and Recovery Arrangements(a)	1.4	1.9	1,033.5	11.8	0.1	49.4	-	7.2	1,105.3
<b>Total</b>	<b>1.4</b>	<b>1.9</b>	<b>1,033.5</b>	<b>11.8</b>	<b>0.1</b>	<b>49.4</b>	<b>-</b>	<b>7.2</b>	<b>1,105.3</b>

(a) Figures reflect the expense outcome. Total cash payments made in 2018-19 are presented in Table 28.

**Table 44: Payments for specific purposes to support other state services, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>National Partnership payments</b>									
Family advocacy and support services	1.7	1.2	1.1	0.7	0.6	0.6	0.6	0.5	7.0
Financial assistance for police officers	..	-	-	-	-	-	-	-	..
Financial assistance to local governments	772.0	601.2	487.9	296.2	162.0	76.9	53.4	35.0	2,484.7
Legal assistance services	78.8	61.1	53.3	31.3	20.3	7.5	6.0	7.5	265.9
North Queensland stadium	-	-	30.0	-	-	-	-	-	30.0
North Queensland strata title inspection scheme	-	-	3.5	-	-	-	-	-	3.5
Provision of fire services	4.8	3.4	3.3	1.5	1.2	0.3	5.2	2.2	21.8
Small business regulatory reform	39.0	-	-	-	-	-	-	-	39.0
South Sydney Rabbitohs' Centre of Excellence	6.0	-	-	-	-	-	-	-	6.0
Supplementary funding to South Australia for local roads	-	-	-	-	60.0	-	-	-	60.0
<b>Total</b>	<b>902.3</b>	<b>666.9</b>	<b>579.1</b>	<b>329.6</b>	<b>244.1</b>	<b>85.3</b>	<b>65.1</b>	<b>45.2</b>	<b>2,917.8</b>
<i>Memorandum item — payments direct to local governments included in payments above</i>									
Supplementary funding to South Australia for local roads	-	-	-	-	60.0	-	-	-	60.0
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60.0</b>

**Table 45: General revenue assistance payments to the states, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>GST entitlements(a)</b>	17,826.3	16,683.4	14,345.2	3,193.0	6,669.9	2,433.3	1,296.4	2,712.2	65,159.7
<b>Other payments</b>									
ACT municipal services	-	-	-	-	-	-	40.1	-	40.1
Compensation for reduced royalties	-	-	-	28.9	-	-	-	-	28.9
Royalty payments	-	-	-	898.4	-	-	-	2.4	900.7
Snowy Hydro Limited									
tax compensation	51.7	25.9	-	-	-	-	-	-	77.6
Transitional GST top-up payments(b)	-	-	-	434.0	-	-	-	-	434.0
<b>Total other general revenue assistance</b>	51.7	25.9	-	1,361.2	-	-	40.1	2.4	1,481.3
<b>Total</b>	<b>17,878.0</b>	<b>16,709.3</b>	<b>14,345.2</b>	<b>4,554.2</b>	<b>6,669.9</b>	<b>2,433.3</b>	<b>1,336.5</b>	<b>2,714.6</b>	<b>66,641.0</b>

(a) The 2018-19 GST outcome will be finalised following a Determination by the Treasurer.

(b) The Government paid Western Australia \$434 million of its 2019-20 top-up payment in 2018-19.

**Table 46: Total payments to the states by function, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
General public services	-	-	5.0	-	-	-	-	-	5.0
Public order and safety	94.2	67.8	57.5	33.2	22.4	8.9	11.8	64.0	359.8
Education	6,840.3	5,421.9	4,654.8	2,188.8	1,551.8	505.9	373.0	404.9	21,941.3
Health	6,844.0	5,119.0	5,330.3	2,308.8	1,371.5	466.6	421.6	313.9	22,175.8
Social security and welfare	547.9	1,643.1	418.7	261.9	298.2	153.4	1.1	74.5	3,398.7
Housing and community amenities	549.8	427.1	361.5	292.9	183.6	46.6	26.0	82.7	1,970.2
Recreation and culture	6.0	-	30.0	-	-	-	-	-	36.0
Fuel and energy	-	10.0	-	-	-	56.0	-	-	66.0
Agriculture, forestry and fishing	51.3	119.7	54.5	2.7	56.6	21.5	15.2	1.6	323.0
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,804.2	698.7	1,164.2	704.2	1,318.9	114.5	52.5	165.7	6,022.9
Other economic affairs	39.0	-	-	-	-	3.2	-	-	42.2
Other purposes(a)	18,651.5	17,312.4	16,166.6	4,862.2	6,892.0	2,559.6	1,389.9	2,756.8	70,591.0
<b>Total payments to the states</b>	<b>35,428.1</b>	<b>30,819.7</b>	<b>28,243.1</b>	<b>10,654.6</b>	<b>11,694.9</b>	<b>3,936.2</b>	<b>2,291.1</b>	<b>3,864.0</b>	<b>126,931.8</b>
less payments 'through' the states	3,764.5	3,192.2	2,610.1	1,283.0	891.9	267.3	233.4	181.6	12,423.8
less financial assistance for local governments	772.0	601.2	487.9	296.2	222.0	76.9	53.4	35.0	2,544.7
less payments direct to local governments	141.4	73.7	111.4	58.3	37.4	10.5	-	3.7	436.5
<b>equals total payments to the states for own-purpose expenses</b>	<b>30,750.2</b>	<b>26,952.6</b>	<b>25,033.8</b>	<b>9,017.2</b>	<b>10,543.6</b>	<b>3,581.4</b>	<b>2,004.3</b>	<b>3,643.7</b>	<b>111,526.8</b>

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

**Table 47: Other financial flows — estimated advances, repayment of advances and interest payments, 2018-19**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>Advances</b>									
Agriculture									
Drought Concessional Loans Scheme	-	-	-	-	-	7.0	-	-	7.0
Natural disaster relief	-	-	1.6	-	-	-	-	-	1.6
<b>Total Advances</b>	-	-	1.6	-	-	7.0	-	-	8.6
<b>Repayments</b>									
Agriculture									
Drought Concessional Loans Scheme	-7.2	-13.2	-38.9	-0.2	-8.9	-1.3	-	-5.0	-74.7
Drought Recovery Loans Scheme	-0.2	-1.3	-1.8	-	-2.0	-1.0	-	-	-6.2
Farm Finance Concessional Loans Scheme	-3.4	-8.9	-7.5	-2.7	-	-2.8	-	..	-25.3
Asbestos Removal in the ACT Environment	-	-	-	-	-	-	-50.0	-	-50.0
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-0.1	-0.1
Housing									
Commonwealth-State Housing									
Agreement loans	-37.6	-	-10.2	-9.9	-3.0	-5.2	-	-0.9	-66.9
Housing for service personnel	-1.9	-	-1.1	-0.3	-0.1	-	-	-	-3.4
Other housing	-	-	-	-	-	-	-8.2	-3.3	-11.5
Infrastructure									
Sewerage	-	-	-	-	-0.1	-	-	-	-0.1
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	..	-	-	-	-	-	-	-	..
Natural disaster relief	-4.1	-	-14.0	-	-	-	-	-	-18.1
Other purposes									
ACT debt repayments	-	-	-	-	-	-	-0.6	-	-0.6
Loan Council — housing nominations	-10.2	-	-3.8	-6.5	-4.3	-2.7	-	-3.4	-31.0
<b>Total Repayments</b>	-64.6	-23.3	-77.4	-19.5	-18.3	-13.0	-58.8	-12.7	-287.8

**Table 47: Other financial flows — estimated advances, repayment of advances and interest payments, 2018-19 (continued)**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>Interest</b>									
Agriculture									
Drought Concessional Loans Scheme	-3.1	-6.5	-5.5	-0.2	-0.5	-1.1	-	..	-16.9
Drought Recovery Loans Scheme	-0.6	-1.3	-0.6	-	-0.2	-0.1	-	-	-2.7
Farm Finance Concessional Loans Scheme	-1.2	-0.5	-0.6	-0.8	..	-0.4	-	-0.2	-3.7
Asbestos Removal in the ACT Environment	-	-	-	-	-	-	-25.7	-	-25.7
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-0.5	-0.5
Housing									
Commonwealth-State Housing Agreement loans	-21.6	-	-6.2	-5.9	-1.8	-3.0	-	-1.0	-39.7
Housing for service personnel	-1.7	-	-0.9	-0.2	-0.1	-	-	-	-2.8
Other housing	-	-	-	-	-	-	-5.5	-2.3	-7.9
Infrastructure									
Sewerage	-	-	-	-	..	-	-	-	..
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-2.2	-	-	-	-	-	-	-	-2.2
Natural disaster relief	-0.3	-	-1.0	-	-	-	-	-	-1.3
Other purposes									
ACT debt repayments	-	-	-	-	-	-	-0.3	-	-0.3
Loan Council — housing nominations	-16.5	-	-5.9	-10.1	-7.2	-4.4	-	-5.8	-49.8
Total Interest	-47.1	-8.3	-20.7	-17.2	-9.8	-8.9	-31.6	-9.9	-153.6
<b>Net Financial Flow</b>	<b>-111.7</b>	<b>-31.7</b>	<b>-96.6</b>	<b>-36.7</b>	<b>-28.1</b>	<b>-14.9</b>	<b>-90.4</b>	<b>-22.6</b>	<b>-432.7</b>

## APPENDIX A: EXPENSES BY FUNCTION AND SUB-FUNCTION

Table A1 sets out Australian Government general government sector expenses by function and sub-function for 2018-19.

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

	2017-18 Outcome \$m	2018-19 Estimate at Budget \$m	2018-19 Estimate at Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
<b>General public services</b>					
Legislative and executive affairs	1,189	1,484	1,533	1,644	160
Financial and fiscal affairs	7,577	7,101	6,922	7,729	628
Foreign affairs and economic aid	5,407	5,798	5,750	5,756	-42
General research	3,009	2,995	3,012	2,859	-136
General services	751	681	665	790	109
Government superannuation benefits	6,589	5,007	8,166	7,442	2,435
<b>Total general public services</b>	<b>24,521</b>	<b>23,065</b>	<b>26,048</b>	<b>26,221</b>	<b>3,155</b>
<b>Defence</b>	<b>29,288</b>	<b>31,215</b>	<b>31,014</b>	<b>30,798</b>	<b>-416</b>
<b>Public order and safety</b>					
Courts and legal services	1,231	1,224	1,266	1,252	28
Other public order and safety	4,113	4,100	4,493	4,522	422
<b>Total public order and safety</b>	<b>5,345</b>	<b>5,324</b>	<b>5,760</b>	<b>5,774</b>	<b>450</b>
<b>Education</b>					
Higher education	9,606	9,756	9,704	9,589	-168
Vocational and other education	1,733	1,810	1,675	1,662	-148
Schools	18,331	19,468	19,641	19,708	239
<i>Non-government schools</i>	<i>11,220</i>	<i>11,781</i>	<i>11,956</i>	<i>12,025</i>	<i>244</i>
<i>Government schools</i>	<i>7,110</i>	<i>7,687</i>	<i>7,684</i>	<i>7,682</i>	<i>-4</i>
School education - specific funding	660	674	691	669	-5
Student assistance	2,842	2,654	2,675	2,530	-124
General administration	351	373	388	384	11
<b>Total education</b>	<b>33,523</b>	<b>34,736</b>	<b>34,773</b>	<b>34,542</b>	<b>-193</b>
<b>Health</b>					
Medical services and benefits	31,067	32,012	32,197	31,964	-48
Pharmaceutical benefits and services	13,117	12,822	13,457	13,302	480
Assistance to the states for public hospitals	19,936	21,189	21,708	21,738	548
Hospital services	1,584	1,458	1,385	1,327	-131
Health services	6,421	7,081	7,505	7,530	449
General administration	3,043	3,350	3,395	3,418	68
Aboriginal and Torres Strait Islander health	871	914	922	917	3
<b>Total health</b>	<b>76,039</b>	<b>78,825</b>	<b>80,569</b>	<b>80,196</b>	<b>1,370</b>
<b>Social security and welfare</b>					
Assistance to the aged	63,176	66,771	67,449	66,701	-70
Assistance to veterans and dependants	6,340	6,213	6,717	7,015	802
Assistance to people with disabilities	34,612	47,966	44,079	41,825	-6,142
Assistance to families with children	35,031	36,845	35,754	35,765	-1,081

Appendix A: Expenses by Function and Sub-Function

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

	2018-19 Estimate at 2017-18 Outcome \$m	2018-19 Estimate at 2018-19 Budget \$m	2018-19 Estimate at 2019-20 Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
<b>Social security and welfare (continued)</b>					
Assistance to the unemployed and the sick	10,839	10,165	10,476	10,585	420
Other welfare programs	1,675	1,741	1,791	1,596	-145
Assistance for Indigenous Australians nec	2,200	2,130	2,288	2,279	149
General administration	3,873	4,141	4,196	4,282	141
<b>Total social security and welfare</b>	<b>157,745</b>	<b>175,971</b>	<b>172,749</b>	<b>170,046</b>	<b>-5,926</b>
<b>Housing and community amenities</b>					
Housing	3,293	3,124	3,051	2,819	-305
Urban and regional development	786	1,315	1,288	1,065	-250
Environment protection	1,325	944	939	1,131	187
<b>Total housing and community amenities</b>	<b>5,405</b>	<b>5,382</b>	<b>5,278</b>	<b>5,014</b>	<b>-368</b>
<b>Recreation and culture</b>					
Broadcasting	1,536	1,411	1,490	1,513	101
Arts and cultural heritage	1,330	1,339	1,455	1,409	70
Sport and recreation	416	465	584	558	93
National estate and parks	453	422	459	503	81
<b>Total recreation and culture</b>	<b>3,735</b>	<b>3,638</b>	<b>3,988</b>	<b>3,982</b>	<b>344</b>
<b>Fuel and energy</b>	<b>7,378</b>	<b>7,541</b>	<b>7,956</b>	<b>7,698</b>	<b>156</b>
<b>Agriculture, forestry and fishing</b>					
Wool industry	90	89	87	89	0
Grains industry	190	177	187	135	-42
Dairy industry	53	52	49	51	-1
Cattle, sheep and pig industry	234	241	244	235	-6
Fishing, horticulture and other agriculture	370	436	404	439	3
General assistance not allocated to specific industries	36	50	55	44	-6
Rural assistance	122	173	336	245	72
Natural resources development	750	1,081	973	559	-522
General administration	769	772	815	815	43
<b>Total agriculture, forestry and fishing</b>	<b>2,613</b>	<b>3,070</b>	<b>3,149</b>	<b>2,611</b>	<b>-459</b>
<b>Mining, manufacturing and construction</b>	<b>2,592</b>	<b>3,260</b>	<b>2,592</b>	<b>2,505</b>	<b>-755</b>
<b>Transport and communication</b>					
Communication	910	1,450	964	964	-486
Rail transport	1,450	1,198	1,134	1,093	-106
Air transport	563	426	355	299	-127
Road transport	5,631	5,324	5,016	5,125	-199
Sea transport	391	434	438	445	11
Other transport and communication	235	230	198	200	-31
<b>Total transport and communication</b>	<b>9,180</b>	<b>9,062</b>	<b>8,105</b>	<b>8,125</b>	<b>-937</b>



Appendix A: Expenses by Function and Sub-Function

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

	2017-18 Outcome \$m	2018-19 Estimate at Budget \$m	2018-19 Estimate at Budget \$m	2018-19 Outcome \$m	Change on 2018-19 Budget \$m
<b>Other economic affairs</b>					
Tourism and area promotion	187	164	163	174	10
Total labour and employment affairs	3,699	3,782	3,864	3,754	-28
<i>Vocational and industry training</i>	984	1,214	1,172	1,130	-85
<i>Labour market assistance to job seekers     and industry</i>	2,018	1,899	2,005	2,000	102
<i>Industrial relations</i>	697	669	687	624	-45
Immigration	3,725	3,048	3,761	3,404	356
Other economic affairs nec	2,249	2,476	2,492	2,382	-94
<b>Total other economic affairs</b>	<b>9,861</b>	<b>9,471</b>	<b>10,281</b>	<b>9,714</b>	<b>243</b>
<b>Other purposes</b>					
Public debt interest	17,025	17,811	17,154	17,100	-711
<i>Interest on Commonwealth     Government's behalf</i>	17,025	17,811	17,154	17,100	-711
Nominal superannuation interest	9,240	10,648	9,447	9,736	-912
General purpose inter-government transactions	66,604	69,446	69,698	69,186	-260
<i>General revenue assistance -     states and territories</i>	64,171	68,196	67,134	66,641	-1,555
<i>Local government assistance</i>	2,432	1,249	2,564	2,545	1,296
Natural disaster relief	188	17	775	1,405	1,388
Contingency reserve	0	101	-1,993	0	-101
<b>Total other purposes</b>	<b>93,057</b>	<b>98,023</b>	<b>95,081</b>	<b>97,427</b>	<b>-596</b>
<b>Total expenses</b>	<b>460,282</b>	<b>488,584</b>	<b>487,343</b>	<b>484,653</b>	<b>-3,931</b>



## 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 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* from 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.<sup>1</sup> 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 are 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 have been made in arrangements for transfer payments, where tax concessions or rebates are replaced by payments through the social security system. This has the effect of increasing both cash receipts and payments, as compared with earlier periods, but not changing cash balances. Changes in the opposite direction reduce both cash payments and receipts.
- Classification differences in the data relating to the period prior to 1976-77 mean 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).

There have been no material classification changes that have resulted in back-casting in this update.

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<sup>1</sup> Prior to the 2008-09 Budget, cash data calculated under the cash accounting framework was 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<sup>(a)</sup>**

	Receipts(b)		Payments(c)			Net Future Fund earnings	Underlying cash balance(d)	
	\$m	Per cent of GDP	\$m	Per cent real growth(e)	Per cent of GDP	\$m	\$m	Per cent of GDP
1970-71	8,290	20.6	7,389	na	18.3	-	901	2.2
1971-72	9,135	20.5	8,249	4.1	18.5	-	886	2.0
1972-73	9,735	19.6	9,388	7.7	18.9	-	348	0.7
1973-74	12,228	20.3	11,078	4.2	18.4	-	1,150	1.9
1974-75	15,643	22.0	15,463	19.9	21.7	-	181	0.3
1975-76	18,727	22.5	20,225	15.7	24.3	-	-1,499	-1.8
1976-77	21,890	22.8	23,157	0.6	24.1	-	-1,266	-1.3
1977-78	24,019	22.9	26,057	2.7	24.8	-	-2,037	-1.9
1978-79	26,129	22.0	28,272	0.3	23.8	-	-2,142	-1.8
1979-80	30,321	22.6	31,642	1.5	23.5	-	-1,322	-1.0
1980-81	35,993	23.7	36,176	4.6	23.8	-	-184	-0.1
1981-82	41,499	23.6	41,151	2.9	23.4	-	348	0.2
1982-83	45,463	24.0	48,810	6.3	25.8	-	-3,348	-1.8
1983-84	49,981	23.4	56,990	9.4	26.7	-	-7,008	-3.3
1984-85	58,817	25.0	64,853	9.1	27.6	-	-6,037	-2.6
1985-86	66,206	25.4	71,328	1.5	27.4	-	-5,122	-2.0
1986-87	74,724	26.2	77,158	-1.1	27.0	-	-2,434	-0.9
1987-88	83,491	25.8	82,039	-0.9	25.3	-	1,452	0.4
1988-89	90,748	24.7	85,326	-3.1	23.2	-	5,421	1.5
1989-90	98,625	24.4	92,684	0.6	22.9	-	5,942	1.5
1990-91	100,227	24.2	100,665	3.1	24.3	-	-438	-0.1
1991-92	95,840	22.7	108,472	5.7	25.7	-	-12,631	-3.0
1992-93	97,633	22.0	115,751	5.6	26.1	-	-18,118	-4.1
1993-94	103,824	22.3	122,009	3.5	26.2	-	-18,185	-3.9
1994-95	113,458	22.9	127,619	1.4	25.8	-	-14,160	-2.9
1995-96	124,429	23.6	135,538	1.9	25.7	-	-11,109	-2.1
1996-97	133,592	24.1	139,689	1.7	25.2	-	-6,099	-1.1
1997-98	140,736	23.9	140,587	0.6	23.9	-	149	0.0
1998-99	152,063	24.5	148,175	4.1	23.9	-	3,889	0.6
1999-00	166,199	25.1	153,192	1.0	23.2	-	13,007	2.0
2000-01	182,996	26.0	177,123	9.1	25.1	-	5,872	0.8
2001-02	187,588	24.9	188,655	3.5	25.0	-	-1,067	-0.1
2002-03	204,613	25.5	197,243	1.4	24.6	-	7,370	0.9
2003-04	217,775	25.3	209,785	3.9	24.4	-	7,990	0.9
2004-05	235,984	25.6	222,407	3.5	24.1	-	13,577	1.5
2005-06	255,943	25.7	240,136	4.6	24.1	51	15,757	1.6
2006-07	272,637	25.1	253,321	2.5	23.3	2,127	17,190	1.6
2007-08	294,917	25.0	271,843	3.8	23.1	3,319	19,754	1.7
2008-09	292,600	23.2	316,046	12.7	25.1	3,566	-27,013	-2.1
2009-10	284,662	21.9	336,900	4.2	25.9	2,256	-54,494	-4.2

Appendix B: Historical Australian Government Data

**Table B1: Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance<sup>(a)</sup> (continued)**

	Receipts(b)		Payments(c)			Net Future Fund earnings	Underlying cash balance(d)	
	Per cent		Per cent real growth(e)	Per cent of GDP	Per cent of GDP	Per cent	Per cent	
	\$m	of GDP					\$m	\$m
2010-11	302,024	21.3	346,102	-0.4	24.4	3,385	-47,463	-3.4
2011-12	329,874	22.0	371,032	4.8	24.7	2,203	-43,360	-2.9
2012-13	351,052	22.9	367,204	-3.2	23.9	2,682	-18,834	-1.2
2013-14	360,322	22.5	406,430	7.8	25.4	2,348	-48,456	-3.0
2014-15	378,301	23.3	412,079	-0.3	25.4	4,089	-37,867	-2.3
2015-16	386,924	23.3	423,328	1.3	25.5	3,202	-39,606	-2.4
2016-17	409,868	23.2	439,375	2.0	24.9	3,644	-33,151	-1.9
2017-18	446,905	24.2	452,742	1.1	24.5	4,305	-10,141	-0.5
2018-19	485,286	24.9	478,098	3.9	24.6	7,878	-690	0.0

(a) Data have been revised in the 2018-19 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) Between 2005-06 and 2018-19, the underlying cash balance is equal to receipts less payments, less net Future Fund earnings. Before 2005-06, the underlying cash balance is equal to receipts less payments.

(e) Real spending growth is calculated using the Consumer Price Index as the deflator.

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

	Receipts		Payments		Net cash flows from investments in financial assets for policy purposes(b)		Headline cash balance(c)	
	\$m	\$m	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent 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	-2.6		
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	-4.3		

**Table B2: Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance<sup>(a)</sup> (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	-3.1
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
2015-16	386,924	423,328	-12,684	-0.8	-49,088	-3.0
2016-17	409,868	439,375	-13,501	-0.8	-43,008	-2.4
2017-18	446,905	452,742	-20,041	-1.1	-25,878	-1.4
2018-19	485,286	478,098	-14,387	-0.7	-7,199	-0.4

(a) Data have been revised in the 2018-19 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 taxation receipts, non-taxation receipts and total receipts<sup>(a)</sup>**

	Taxation receipts		Non-taxation receipts		Total receipts(b)	
		Per cent		Per cent		Per cent
	\$m	of GDP	\$m	of GDP	\$m	of GDP
1970-71	7,193	17.8	1,097	2.7	8,290	20.6
1971-72	7,895	17.7	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	19.7	2,720	2.3	26,129	22.0
1979-80	27,473	20.4	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	26.2
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	22.3
1994-95	104,921	21.2	8,537	1.7	113,458	22.9
1995-96	115,700	21.9	8,729	1.7	124,429	23.6
1996-97	124,559	22.4	9,033	1.6	133,592	24.1
1997-98	130,984	22.3	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	25.1
2000-01	170,354	24.2	12,641	1.8	182,996	26.0
2001-02	175,371	23.3	12,218	1.6	187,588	24.9
2002-03	192,391	24.0	12,222	1.5	204,613	25.5
2003-04	206,734	24.0	11,041	1.3	217,775	25.3
2004-05	223,986	24.3	11,999	1.3	235,984	25.6
2005-06	241,987	24.3	13,956	1.4	255,943	25.7
2006-07	258,252	23.8	14,385	1.3	272,637	25.1
2007-08	279,317	23.7	15,600	1.3	294,917	25.0
2008-09	273,674	21.7	18,926	1.5	292,600	23.2
2009-10	262,167	20.1	22,495	1.7	284,662	21.9

**Table B3: Australian Government general government sector taxation receipts, non-taxation receipts and total receipts<sup>(a)</sup> (continued)**

	Taxation receipts		Non-taxation receipts		Total receipts <sup>(b)</sup>	
		Per cent		Per cent		Per cent
	\$m	of GDP	\$m	of GDP	\$m	of GDP
2010-11	282,106	19.9	19,918	1.4	302,024	21.3
2011-12	311,269	20.8	18,606	1.2	329,874	22.0
2012-13	327,835	21.3	23,218	1.5	351,052	22.9
2013-14	340,283	21.3	20,038	1.3	360,322	22.5
2014-15	353,883	21.8	24,418	1.5	378,301	23.3
2015-16	362,387	21.8	24,537	1.5	386,924	23.3
2016-17	379,271	21.5	30,597	1.7	409,868	23.2
2017-18	418,053	22.6	28,853	1.6	446,905	24.2
2018-19	448,579	23.0	36,707	1.9	485,286	24.9

(a) Data have been revised in the 2018-19 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. Receipts are identical to Table B1.

**Table B4: Australian Government general government sector net debt and net interest payments<sup>(a)</sup>**

	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	12.5	3,986	0.9
1993-94	70,223	15.1	5,628	1.2
1994-95	83,492	16.9	7,292	1.5
1995-96	95,831	18.2	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	57,661	8.7	7,514	1.1
2000-01	46,802	6.6	6,195	0.9
2001-02	42,263	5.6	5,352	0.7
2002-03	33,403	4.2	3,758	0.5
2003-04	26,995	3.1	3,040	0.4
2004-05	15,604	1.7	2,502	0.3
2005-06	331	0.0	2,303	0.2
2006-07	-24,288	-2.2	228	0.0
2007-08	-39,958	-3.4	-1,015	-0.1
2008-09	-11,285	-0.9	-1,196	-0.1
2009-10	47,874	3.7	2,386	0.2

**Table B4: Australian Government general government sector net debt and net interest payments<sup>(a)</sup> (continued)**

	Net debt <sup>(b)</sup>		Net interest payments <sup>(c)</sup>	
	\$m	Per cent of GDP	\$m	Per cent of GDP
2010-11	90,660	6.4	4,608	0.3
2011-12	153,443	10.2	6,609	0.4
2012-13	159,594	10.4	8,285	0.5
2013-14	209,559	13.1	10,843	0.7
2014-15	245,817	15.1	10,868	0.7
2015-16	303,467	18.3	12,041	0.7
2016-17	322,320	18.3	12,365	0.7
2017-18	341,961	18.5	13,135	0.7
2018-19	373,566	19.2	15,149	0.8

(a) Data have been revised in the 2018-19 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 B5: Australian Government general government sector face value of Australian Government Securities (AGS)<sup>(a)</sup> on issue and interest paid<sup>(b)</sup>**

	Face value of AGS on issue					
	Total AGS on issue(c)		Subject to Treasurer's Direction(d)		Interest paid(e)	
	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	22.8	-	-	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	19.8	-	-	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	11.8	-	-	6,994	1.7
1991-92	58,826	13.9	-	-	6,819	1.6
1992-93	76,509	17.3	-	-	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	20.9	-	-	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	7.5	3,970	0.3
2009-10	147,133	11.3	141,806	10.9	6,411	0.5

**Table B5: Australian Government general government sector face value of Australian Government Securities (AGS)<sup>(a)</sup> on issue and interest paid<sup>(b)</sup> (continued)**

	Face value of AGS on issue					
	Total AGS on issue <sup>(c)</sup>		Subject to Treasurer's Direction <sup>(d)</sup>		Interest paid <sup>(e)</sup>	
	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	13.5	186,704	13.2	9,551	0.7
2011-12	233,976	15.6	229,389	15.3	10,875	0.7
2012-13	257,378	16.8	252,791	16.5	11,846	0.8
2013-14	319,487	20.0	316,952	19.8	13,972	0.9
2014-15	368,738	22.7	366,202	22.5	13,924	0.9
2015-16	420,420	25.3	417,936	25.1	14,977	0.9
2016-17	500,979	28.4	498,510	28.3	15,290	0.9
2017-18	531,937	28.8	529,467	28.6	16,568	0.9
2018-19	541,992	27.8	541,986	27.8	18,951	1.0

(a) Previously referred to as Commonwealth Government Securities.

(b) Data have been revised in the 2018-19 Final Budget Outcome to improve accuracy and comparability through time.

(c) Total AGS on issue includes AGS held on behalf of the states and the Northern Territory, but excludes Commonwealth holdings of AGS.

(d) The face value of AGS 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. AGS on issue subject to the Treasurer's Direction are not available prior to 2008-09 because the limit was first introduced in July 2008.

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

**Table B6: Australian Government general government sector revenue, expenses, net operating balance, net capital investment and fiscal balance<sup>(a)</sup>**

	Revenue		Expenses		Net operating balance <sup>(b)</sup>		Net capital investment		Fiscal balance <sup>(c)</sup>	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1996-97	141,688	25.5	145,821	26.3	-4,133	-0.7	90	0.0	-4,223	-0.8
1997-98	146,820	25.0	148,652	25.3	-1,832	-0.3	147	0.0	-1,979	-0.3
1998-99	152,106	24.5	146,772	23.7	5,334	0.9	1,433	0.2	3,901	0.6
1999-00	167,304	25.3	155,558	23.5	11,746	1.8	-69	0.0	11,815	1.8
2000-01	186,106	26.4	180,090	25.5	6,016	0.9	8	0.0	6,007	0.9
2001-02	190,432	25.2	192,984	25.6	-2,553	-0.3	382	0.1	-2,935	-0.4
2002-03	206,778	25.8	201,113	25.1	5,665	0.7	287	0.0	5,377	0.7
2003-04	222,042	25.8	215,235	25.0	6,808	0.8	660	0.1	6,148	0.7
2004-05	242,354	26.3	229,092	24.8	13,261	1.4	1,034	0.1	12,228	1.3
2005-06	260,569	26.2	241,665	24.3	18,904	1.9	2,498	0.3	16,406	1.6
2006-07	277,895	25.6	258,761	23.8	19,134	1.8	2,333	0.2	16,801	1.5
2007-08	303,402	25.8	279,862	23.8	23,540	2.0	2,593	0.2	20,948	1.8
2008-09	298,508	23.7	324,387	25.7	-25,879	-2.1	4,064	0.3	-29,943	-2.4
2009-10	292,387	22.5	339,829	26.1	-47,442	-3.6	6,433	0.5	-53,875	-4.1
2010-11	309,204	21.8	356,084	25.1	-46,880	-3.3	5,297	0.4	-52,176	-3.7
2011-12	337,324	22.5	377,220	25.2	-39,896	-2.7	4,850	0.3	-44,746	-3.0
2012-13	359,496	23.4	382,397	24.9	-22,901	-1.5	987	0.1	-23,888	-1.6
2013-14	374,151	23.4	414,500	25.9	-40,349	-2.5	3,850	0.2	-44,198	-2.8
2014-15	379,455	23.4	417,514	25.7	-38,059	-2.3	2,706	0.2	-40,764	-2.5
2015-16	395,055	23.8	428,691	25.8	-33,636	-2.0	3,829	0.2	-37,464	-2.3
2016-17	415,723	23.6	447,807	25.4	-32,084	-1.8	2,876	0.2	-34,960	-2.0
2017-18	456,280	24.7	460,282	24.9	-4,001	-0.2	1,284	0.1	-5,285	-0.3
2018-19	493,346	25.3	484,653	24.9	8,692	0.4	6,126	0.3	2,566	0.1

(a) Data have been revised in the 2018-19 Final Budget Outcome to improve accuracy and comparability through time.

(b) Net operating balance is equal to revenue less expenses.

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

Appendix B: Historical Australian Government Data

**Table B7: Australian Government general government sector net worth and net financial worth<sup>(a)</sup>**

	Net worth(b)		Net financial worth(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP
1999-00	-10,424	-1.6	-70,414	-10.7
2000-01	-10,287	-1.5	-75,544	-10.7
2001-02	-15,330	-2.0	-81,707	-10.8
2002-03	-18,856	-2.4	-86,456	-10.8
2003-04	-4,740	-0.6	-75,976	-8.8
2004-05	11,066	1.2	-62,372	-6.8
2005-06	14,293	1.4	-63,442	-6.4
2006-07	42,677	3.9	-39,370	-3.6
2007-08	67,122	5.7	-18,428	-1.6
2008-09	15,452	1.2	-75,465	-6.0
2009-10	-50,383	-3.9	-148,930	-11.4
2010-11	-100,504	-7.1	-203,904	-14.4
2011-12	-252,046	-16.8	-360,672	-24.1
2012-13	-207,769	-13.5	-317,843	-20.7
2013-14	-261,596	-16.4	-375,882	-23.5
2014-15	-308,390	-19.0	-427,169	-26.3
2015-16	-423,674	-25.5	-548,028	-33.0
2016-17	-390,897	-22.2	-529,225	-30.0
2017-18	-418,135	-22.6	-562,183	-30.4
2018-19	-543,459	-27.9	-694,448	-35.7

(a) Data have been revised in the 2018-19 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 B8: Australian Government general government sector accrual taxation revenue, non-taxation revenue and total revenue<sup>(a)</sup>**

	Taxation revenue		Non-taxation revenue		Total revenue	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1999-00	153,409	23.2	13,895	2.1	167,304	25.3
2000-01	175,876	24.9	10,229	1.5	186,106	26.4
2001-02	178,410	23.7	12,022	1.6	190,432	25.2
2002-03	195,319	24.4	11,458	1.4	206,778	25.8
2003-04	210,541	24.5	11,501	1.3	222,042	25.8
2004-05	230,490	25.0	11,863	1.3	242,354	26.3
2005-06	245,846	24.7	14,723	1.5	260,569	26.2
2006-07	262,876	24.2	15,019	1.4	277,895	25.6
2007-08	286,869	24.4	16,534	1.4	303,402	25.8
2008-09	279,303	22.2	19,206	1.5	298,508	23.7
2009-10	268,841	20.7	23,546	1.8	292,387	22.5
2010-11	289,566	20.4	19,639	1.4	309,204	21.8
2011-12	317,413	21.2	19,911	1.3	337,324	22.5
2012-13	338,106	22.0	21,390	1.4	359,496	23.4
2013-14	353,239	22.1	20,912	1.3	374,151	23.4
2014-15	356,321	21.9	23,134	1.4	379,455	23.4
2015-16	369,410	22.2	25,645	1.5	395,055	23.8
2016-17	388,641	22.0	27,082	1.5	415,723	23.6
2017-18	427,403	23.1	28,878	1.6	456,280	24.7
2018-19	456,072	23.4	37,274	1.9	493,346	25.3

(a) Data have been revised in the 2018-19 Final Budget Outcome to improve accuracy and comparability through time.

Appendix B: Historical Australian Government Data

**Table B9: Australian Government cash receipts, payments and surplus by institutional sector (\$m)<sup>(a)</sup>**

	General government				Public non-financial corporations				Non-financial public sector			
	Receipts(b)	Payments(c)	Underlying cash balance(d)	Cash surplus	Receipts(b)	Payments(e)	Cash surplus	Receipts(b)	Payments(e)	Cash surplus		
1988-89	90,748	85,326	5,421	257	4,177	6,035	6,035	93,923	90,312	5,678		
1989-90	98,625	92,684	5,942	-5,261	3,926	11,322	11,322	101,495	102,883	681		
1990-91	100,227	100,665	-438	-2,139	4,804	9,351	9,351	103,837	108,808	-2,577		
1991-92	95,840	108,472	-12,631	101	3,899	7,713	7,713	97,937	114,369	-12,530		
1992-93	97,633	115,751	-18,118	-196	4,385	7,819	7,819	100,512	122,042	-18,314		
1993-94	103,824	122,009	-18,185	1,482	5,178	6,476	6,476	106,747	126,214	-16,703		
1994-95	113,458	127,619	-14,160	1,956	5,262	7,318	7,318	116,751	132,965	-12,204		
1995-96	124,429	135,538	-11,109	-527	4,927	8,190	8,190	126,593	140,963	-11,636		
1996-97	133,592	139,689	-6,099	473	4,782	7,373	7,373	135,259	143,948	-5,626		
1997-98	140,736	140,587	149	1,119	6,238	7,923	7,923	144,517	145,985	1,268		
1998-99	152,063	148,175	3,889	-353	na	na	na	na	na	3,536		
1999-00	166,199	153,192	13,007	-2,594	na	na	na	na	na	10,413		
2000-01	182,996	177,123	5,872	391	na	na	na	na	na	6,323		
2001-02	187,588	188,655	-1,067	1,210	na	na	na	na	na	65		
2002-03	204,613	197,243	7,370	1,280	27,386	26,105	26,105	na	na	8,651		
2003-04	217,775	209,785	7,990	1,575	27,718	26,142	26,142	238,236	228,664	9,569		
2004-05	235,984	222,407	13,577	1,550	29,621	28,071	28,071	257,946	242,805	15,141		
2005-06	255,943	240,136	15,757	-999	30,875	31,874	31,874	278,294	263,421	14,833		
2006-07	272,637	253,321	17,190	-1,759	16,882	18,641	18,641	285,336	267,719	17,625		
2007-08	294,917	271,843	19,754	-472	7,758	8,231	8,231	300,503	277,754	22,800		
2008-09	292,600	316,046	-27,013	-973	7,987	8,960	8,960	297,421	321,275	-23,786		
2009-10	284,662	336,900	-54,494	-922	8,419	9,341	9,341	290,681	343,816	-52,879		

**Table B9: Australian Government cash receipts, payments and surplus by institutional sector (\$m)<sup>(a)</sup> (continued)**

	General government				Public non-financial corporations				Non-financial public sector				
	Receipts(b)	Payments(c)	Underlying cash balance(d)	Cash surplus	Receipts(b)	Payments(e)	Cash surplus	Receipts(b)	Payments(e)	Cash surplus	Receipts(b)	Payments(e)	Cash surplus
2010-11	302,024	346,102	-47,463	-1,175	8,558	9,733	-1,175	308,258	353,452	-44,911	308,258	353,452	-44,911
2011-12	329,874	371,032	-43,360	-2,002	8,845	10,847	-2,002	336,122	379,266	-42,763	336,122	379,266	-42,763
2012-13	351,052	367,204	-18,834	-3,294	9,766	13,061	-3,294	358,088	377,221	-19,133	358,088	377,221	-19,133
2013-14	360,322	406,430	-48,456	-3,204	11,042	14,246	-3,204	368,521	417,248	-48,726	368,521	417,248	-48,726
2014-15	378,301	412,079	-37,867	-3,880	11,256	15,136	-3,880	386,643	424,229	-37,586	386,643	424,229	-37,586
2015-16	386,924	423,328	-39,606	-6,147	11,606	17,753	-6,147	395,842	438,228	-42,386	395,842	438,228	-42,386
2016-17	409,868	439,375	-33,151	-7,138	12,406	19,543	-7,138	419,433	456,020	-36,587	419,433	456,020	-36,587
2017-18	446,905	452,742	-10,141	-8,153	14,195	22,348	-8,153	457,604	471,451	-13,846	457,604	471,451	-13,846
2018-19	485,286	478,098	-690	-8,699	17,909	-26,608	-8,699	498,767	500,276	-1,510	498,767	500,276	-1,510

(a) Data have been revised in the 2018-19 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 in the general government sector are equal to payments for operating activities, purchases of non-financial assets and net acquisition of assets under finance leases.

(d) Between 2005-06 and 2018-19, the underlying cash balance is equal to receipts less payments, less net Future Fund earnings. For the years 1970-71 to 2004-05 and from 2020-21 onwards, the underlying cash balance is equal to receipts less payments.

(e) Payments in the public non-financial corporations and non-financial public sectors are equal to payments for operating activities, purchases of non-financial assets and distributions paid.

na Data not available.

Appendix B: Historical Australian Government Data

**Table B10: Australian Government accrual revenue, expenses and fiscal balance by institutional sector (\$m)<sup>(a)</sup>**

	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	-684	308,888	285,179	20,364
2008-09	298,508	324,387	-29,943	6,998	7,576	-1,495	303,309	329,766	-31,438
2009-10	292,387	339,829	-53,875	7,288	7,297	-1,079	298,033	345,483	-54,954
2010-11	309,204	356,084	-52,176	7,563	7,787	-1,446	315,001	362,106	-53,622
2011-12	337,324	377,220	-44,746	8,046	8,238	-2,158	343,722	383,810	-46,904
2012-13	359,496	382,397	-23,888	8,863	9,415	-4,189	366,642	390,094	-28,077
2013-14	374,151	414,500	-44,198	9,537	11,127	-6,070	381,971	423,910	-50,269
2014-15	379,455	417,514	-40,764	9,987	11,850	-4,856	387,719	427,641	-45,620
2015-16	395,055	428,691	-37,464	10,044	12,809	-7,486	403,868	440,270	-44,950
2016-17	415,723	447,807	-34,960	10,894	15,035	-9,918	425,114	461,338	-44,879
2017-18	456,280	460,282	-5,285	12,318	16,934	-10,055	466,661	475,195	-15,255
2018-19	493,346	484,653	2,566	15,836	20,899	-11,121	507,017	503,270	-8,439

(a) Data have been revised in the 2018-19 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 B11: Australian Government general government sector receipts, payments, underlying cash balance, net debt and net interest payments presented on a real per capita basis<sup>(a)(b)</sup>**

	Taxation receipts	Non-taxation receipts	Total receipts	Payments	Underlying cash balance	Net debt	Net interest payments
1970-71	5,494	838	6,331	5,643	688	263	-144
1971-72	5,524	868	6,391	5,771	620	-347	-171
1972-73	5,484	863	6,348	6,122	227	-515	-164
1973-74	6,138	791	6,930	6,278	652	-1,049	-162
1974-75	6,797	722	7,519	7,433	87	-914	-116
1975-76	7,125	761	7,886	8,516	-631	-144	-139
1976-77	7,212	796	8,008	8,471	-463	329	-23
1977-78	7,073	855	7,928	8,601	-672	956	1
1978-79	7,066	821	7,887	8,534	-647	1,504	77
1979-80	7,430	770	8,200	8,557	-358	1,689	119
1980-81	7,954	817	8,771	8,815	-45	1,549	151
1981-82	8,208	784	8,992	8,916	75	1,283	147
1982-83	7,861	850	8,712	9,353	-642	1,754	172
1983-84	7,956	910	8,866	10,110	-1,243	2,841	288
1984-85	8,889	981	9,870	10,883	-1,013	3,674	472
1985-86	8,978	1,124	10,102	10,883	-782	4,103	603
1986-87	9,131	1,134	10,265	10,600	-334	4,003	654
1987-88	9,453	1,060	10,512	10,329	183	3,443	567
1988-89	9,628	842	10,470	9,844	625	2,536	516
1989-90	9,555	827	10,382	9,756	625	1,697	479
1990-91	9,153	739	9,893	9,936	-43	1,670	359
1991-92	8,368	812	9,180	10,390	-1,210	2,973	365
1992-93	8,341	834	9,175	10,877	-1,703	5,189	375
1993-94	8,532	956	9,488	11,150	-1,662	6,417	514
1994-95	9,191	748	9,938	11,179	-1,240	7,314	639
1995-96	9,608	725	10,333	11,255	-922	7,958	736
1996-97	10,096	732	10,828	11,322	-494	7,804	769
1997-98	10,511	783	11,294	11,282	12	6,655	664
1998-99	10,852	1,070	11,922	11,617	305	5,650	678
1999-00	11,455	1,127	12,582	11,597	985	4,365	569
2000-01	12,010	891	12,901	12,487	414	3,299	437
2001-02	11,882	828	12,710	12,782	-72	2,863	363
2002-03	12,500	794	13,294	12,815	479	2,170	244
2003-04	12,983	693	13,677	13,175	502	1,695	191
2004-05	13,566	727	14,293	13,470	822	945	152
2005-06	14,012	808	14,820	13,904	912	19	133
2006-07	14,269	795	15,064	13,997	950	-1,342	13
2007-08	14,630	817	15,447	14,239	1,035	-2,093	-53
2008-09	13,618	942	14,559	15,726	-1,344	-562	-60
2009-10	12,552	1,077	13,629	16,131	-2,609	2,292	114

Appendix B: Historical Australian Government Data

**Table B11: Australian Government general government sector receipts, payments, underlying cash balance, net debt and net interest payments presented on a real per capita basis<sup>(a)(b)</sup> (continued)**

	Taxation receipts	Non-taxation receipts	Total receipts	Payments	Underlying cash balance	Net debt	Net interest payments
2010-11	12,919	912	13,831	15,849	-2,174	4,152	211
2011-12	13,692	818	14,511	16,321	-1,907	6,750	291
2012-13	13,859	982	14,841	15,524	-796	6,747	350
2013-14	13,798	813	14,611	16,480	-1,965	8,497	440
2014-15	13,906	960	14,866	16,193	-1,488	9,660	427
2015-16	13,829	936	14,765	16,154	-1,511	11,580	459
2016-17	13,992	1,129	15,121	16,210	-1,223	11,891	456
2017-18	14,894	1,028	15,922	16,130	-361	12,183	468
2018-19	15,466	1,266	16,731	16,484	-24	12,880	522

(a) Data have been revised in the 2018-19 Final Budget Outcome to improve accuracy and comparability through time.

(b) The real levels are derived using the Consumer Price Index (CPI). The current reference period for the CPI is 2011-12, which means the real levels per capita are reported in 2011-12 dollars.