

Final Budget Outcome

2019-20

September 2020

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 2019-20 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 2019-20 financial year and is based on external reporting standards.

- **Part 1** provides the general government sector budget aggregates for 2019-20 together with an analysis of the Final Budget Outcome for 2019-20. 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 2019-20 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 2019-20 on Australia's Federal Financial Relations, updated from that contained in the 2019-20 Mid-Year Economic and Fiscal Update Appendix C Australia's Federal 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 2019-20

Overview

In 2019-20, the Australian Government general government sector recorded an underlying cash deficit of \$85.3 billion (4.3 per cent of gross domestic product (GDP)). The net operating balance was in deficit by \$92.3 billion (4.7 per cent of GDP).

The global COVID-19 pandemic has caused severe contractions in economic activity and the Government has provided critical and unprecedented support to Australian households, businesses and industries affected since March 2020.

The Final Budget Outcome for 2019-20 is broadly consistent with the July 2020 Economic and Fiscal Update (July Update). The final outcome for the 2019-20 underlying cash balance is an improvement of \$0.5 billion from the preliminary expected outcome at the July Update. The final outcome for net debt was \$491.2 billion at the end of 2019-20, \$3.0 billion higher than the preliminary estimate included in the July Update.

Table 1: Australian Government general government sector budget aggregates since the July 2020 Economic and Fiscal Update

	Economic and Fiscal Update	2019-20 Outcome	Change on Economic and Fiscal Update
	\$b	\$b	\$b
Receipts	469.5	469.4	-0.1
Per cent of GDP	23.6	23.7	
Payments(a)	550.0	549.6	-0.3
Per cent of GDP	27.7	27.7	
Net Future Fund earnings	5.3	5.0	-0.3
Underlying cash balance(b)	-85.8	-85.3	0.5
Per cent of GDP	-4.3	-4.3	
Net debt(c)	488.2	491.2	3.0
Per cent of GDP	24.6	24.8	

(a) Equivalent to cash payments for operating activities, purchases of non-financial assets and net cash flows from financing activities for leases.

(b) Excludes net Future Fund earnings.

(c) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid, and investments, loans and placements).

The underlying cash deficit for 2019-20 of \$85.3 billion compares with a forecast surplus of \$5.0 billion at the time of the 2019-20 Mid-Year Economic and Fiscal Outlook (MYEFO). This deterioration in the underlying cash balance was the result of higher total payments (\$57.7 billion) and lower total receipts (\$33.1 billion) compared to the MYEFO estimates. Net Future Fund earnings, which are excluded from the underlying cash balance, were \$0.4 billion lower than expected at the time of the 2019-20 MYEFO.

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In net operating terms, the outcome for 2019-20 was a deficit of \$92.3 billion compared with the surplus of \$8.0 billion estimated at the time of the 2019-20 MYEFO, with expenses \$75.4 billion higher and revenue \$24.9 billion lower than the 2019-20 MYEFO estimates.

As outlined in detail in the July Update, economic outcomes deteriorated significantly in the first half of 2020 due to the COVID-19 pandemic. Real GDP fell by 0.2 per cent in 2019-20 with growth in household consumption and business investment substantially lower than forecast at MYEFO. In contrast, public final demand and net exports were stronger than forecast. Higher public final demand reflected increased government spending in response to COVID-19, while a key factor in the higher contribution of net exports was international travel bans resulting in a large fall in services imports that exceeded the fall in services exports over the first half of 2020. Nominal GDP grew by 1.7 per cent in 2019-20.

Reflecting the contraction in economic activity, labour market conditions weakened substantially in the first half of 2020. Employment fell by 4.3 per cent through the year to the June quarter 2020 and the participation rate fell from a record high of 66.1 per cent in the September quarter 2019 to 63.4 per cent in the June quarter 2020. The unemployment rate increased to 7.0 per cent in the June quarter 2020. The Wage Price Index increased by 1.8 per cent through the year to the June quarter 2020 and compensation of employees rose by 3.7 per cent in 2019-20.

Australian Government general government sector net debt was \$491.2 billion (24.8 per cent of GDP) at the end of 2019-20, which was \$98.9 billion higher than estimated at the time of the 2019-20 MYEFO and around the level projected at the July Update. This primarily reflects the increased borrowing requirement due to the deterioration in the underlying cash balance. Australian Government general government sector net financial worth was negative \$840.6 billion and net worth was negative \$664.9 billion at the end of 2019-20.

Table 2: Australian Government general government sector budget aggregates

	2018-19 Outcome	2019-20 Estimate at 2019-20 MYEFO (a)	2019-20 Outcome (a)	Change on 2019-20 MYEFO
	\$b	\$b	\$b	\$b
Receipts	485.3	502.5	469.4	-33.1
Per cent of GDP	24.9	25.0	23.7	
Payments(b)	478.1	492.0	549.6	57.7
Per cent of GDP	24.6	24.5	27.7	
Net Future Fund earnings	7.9	5.5	5.0	-0.4
Underlying cash balance(c)	-0.7	5.0	-85.3	-90.3
Per cent of GDP	0.0	0.3	-4.3	
Revenue	493.3	511.1	486.3	-24.9
Per cent of GDP	25.3	25.4	24.5	
Expenses	484.7	503.2	578.5	75.4
Per cent of GDP	24.9	25.0	29.2	
Net operating balance	8.7	8.0	-92.3	-100.2
Per cent of GDP	0.4	0.4	-4.7	
Net capital investment	6.1	4.2	4.0	-0.2
Fiscal balance	2.6	3.8	-96.3	-100.1
Per cent of GDP	0.1	0.2	-4.9	
<i>Memorandum item:</i>				
Headline cash balance	-7.2	-2.8	-93.9	-91.0

(a) Include impacts resulting from the implementation of AASB 16 in the 2019-20 MYEFO.

(b) Equivalent to cash payments for operating activities, purchases of non-financial assets and net cash flows from financing activities for leases.

(c) Excludes net Future Fund earnings.

Underlying cash balance

In 2019-20, the underlying cash deficit was \$85.3 billion, an improvement of \$0.5 billion since the July Update, with this improvement incorporating changes flowing from the preparation of financial statements. Net Future Fund earnings, which are excluded from the underlying cash balance, were \$5.0 billion in 2019-20, \$0.3 billion lower compared to the July Update.

The underlying cash deficit for 2019-20 of \$85.3 billion compares with a forecast surplus of \$5.0 billion at the time of the 2019-20 MYEFO. This deterioration was driven by the response to and effects of the COVID-19 pandemic, with total payments higher by \$57.7 billion and total receipts lower by \$33.1 billion compared to the 2019-20 MYEFO estimates. Net Future Fund earnings were \$0.4 billion lower than expected at the time of the 2019-20 MYEFO.

Table 3: Summary of Australian Government general government sector cash flows

	2019-20 Estimate at 2019-20 MYEFO \$b	2019-20 Outcome \$b	Change on 2019-20 MYEFO \$b
Cash receipts			
Operating cash receipts	500.8	467.7	-33.1
Capital cash receipts(a)	1.7	1.7	0.1
Total cash receipts	502.5	469.4	-33.1
Cash payments			
Operating cash payments	475.3	534.2	58.9
Capital cash payments(b)	14.3	13.0	-1.3
Total cash payments	489.6	547.3	57.6
GFS cash surplus(+)/deficit(-)	12.8	-77.9	-90.7
Per cent of GDP	0.6	-3.9	
<i>plus</i> Net cash flows from financing activities for leases(c)	-2.3	-2.4	0.0
<i>less</i> Net Future Fund earnings	5.5	5.0	-0.4
Underlying cash balance(d)	5.0	-85.3	-90.3
Per cent of GDP	0.3	-4.3	
<i>Memorandum items:</i>			
Net cash flows from investments in financial assets for policy purposes	-13.3	-13.6	-0.3
<i>plus</i> Net Future Fund earnings	5.5	5.0	-0.4
Headline cash balance	-2.8	-93.9	-91.0

(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) Principal payments on lease liabilities, which are cash flows from financing activities, are deducted in the calculation of the underlying cash balance to maintain consistency of measure following the implementation of AASB 16.

(d) Excludes net Future Fund earnings.

Receipts

Total receipts for 2019-20 were \$469.4 billion, \$0.1 billion lower than the preliminary estimate included in the July Update of \$469.5 billion, and \$33.1 billion lower than forecast in the 2019-20 MYEFO.

Tax receipts were \$431.8 billion, \$32.0 billion lower than the estimate at the 2019-20 MYEFO. Compared with the 2019-20 MYEFO and consistent with the July Update, the weakness was across almost all heads of revenue but largely driven by lower-than-expected company, total individuals and other withholding taxes, and GST.

- Company tax receipts were \$13.4 billion (13.7 per cent) below the 2019-20 MYEFO estimate. This was driven in large part by the impact of health restrictions, which have reduced taxable incomes.
- Receipts from total individuals and other withholding taxes were \$9.0 billion (3.9 per cent) below the 2019-20 MYEFO estimate, largely reflecting the COVID-19 pandemic resulting in weaker collections from small, medium and large withholders in line with a deterioration in labour market conditions and lodgement and payment deferrals granted by the ATO.
- Receipts from the GST were \$5.3 billion (8.1 per cent) below the 2019-20 MYEFO estimate, reflecting lower-than-expected household consumption and private dwelling investment. There has been an increase in unpaid debt in 2019-20, in part due to payment deferrals offered to businesses experiencing financial hardship.
- Receipts from excise and customs duty were \$2.2 billion (4.8 per cent) below the 2019-20 MYEFO estimate, also reflecting lower-than-expected household consumption, particularly through tobacco and petrol excise.
- Receipts from superannuation fund taxes were \$1.9 billion (23.7 per cent) below the 2019-20 MYEFO estimate, largely due to impacts from the COVID-19 pandemic on superannuation funds.

Non-tax receipts were \$37.6 billion in 2019-20, \$1.1 billion lower than estimated at the time of the 2019-20 MYEFO. This decrease largely reflects lower-than-estimated receipts related to the Higher Education Loan Program (\$0.6 billion) and the Unclaimed Superannuation Monies program (\$0.5 billion).

Total cash receipts in 2019-20 of \$469.4 billion included \$5.4 billion in Future Fund receipts, which were \$0.4 billion lower than estimated in the 2019-20 MYEFO.

Table 4: Australian Government general government (cash) receipts

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Individuals and other withholding taxes			
Gross income tax withholding	218,100	214,426	-3,674
Gross other individuals	49,600	43,713	-5,887
<i>less: Refunds</i>	36,800	36,219	-581
Total individuals and other withholding tax	230,900	221,920	-8,980
Fringe benefits tax	3,940	3,850	-90
Company tax	98,200	84,781	-13,419
Superannuation fund taxes	8,210	6,267	-1,943
Petroleum resource rent tax(a)	1,150	1,052	-98
Income taxation receipts	342,400	317,870	-24,530
Goods and services tax	65,558	60,263	-5,294
Wine equalisation tax	1,090	959	-131
Luxury car tax	670	570	-100
Excise and customs duty			
Petrol	6,200	5,734	-466
Diesel	12,280	12,046	-234
Other fuel products	2,200	1,923	-277
Tobacco	17,210	16,270	-940
Beer	2,520	2,455	-65
Spirits	2,510	2,648	138
Other alcoholic beverages(b)	1,040	1,059	19
Other customs duty			
Textiles, clothing and footwear	200	169	-31
Passenger motor vehicles	400	369	-31
Other imports	1,260	1,142	-118
<i>less: Refunds and drawbacks</i>	500	669	169
Total excise and customs duty	45,320	43,147	-2,173
Major bank levy	1,600	1,612	12
Agricultural levies	520	469	-52
Other taxes	6,633	6,885	251
Indirect taxation receipts	121,391	113,905	-7,487
Taxation receipts	463,791	431,775	-32,016
Sales of goods and services	15,142	15,490	347
Interest received	5,134	3,244	-1,890
Dividends	6,792	7,007	215
Other non-taxation receipts	11,612	11,883	271
Non-taxation receipts	38,680	37,623	-1,057
Total receipts	502,472	469,398	-33,073
<i>Memorandum:</i>			
Total excise	24,290	23,352	-938
Total customs duty	21,030	19,795	-1,235

(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 2019-20 were \$549.6 billion, \$0.3 billion lower than the preliminary estimate of \$550.0 billion included in the July Update, and \$57.7 billion higher than estimated at the time of the 2019-20 MYEFO. Higher-than-estimated payments are driven by the Government's response to the COVID-19 pandemic. Key changes since the 2019-20 MYEFO include:

- the introduction of the JobKeeper Payment to help businesses and not-for-profits significantly impacted by COVID-19 cover the cost of their employees' wages and the provision of temporary tax-free cash flow boosts to help entities continue to operate through the economic downturn associated with COVID-19 (\$35.0 billion)
- higher-than-estimated payments across social welfare payment programs, largely reflecting the introduction of the time limited Coronavirus Supplement to new and existing income support recipients and payment of the \$750 Economic Stimulus Payment to eligible pensioners, income support recipients, carers and student payment recipients, together with changes in recipient and average payment numbers reflecting the automatic stabiliser effect of social welfare payments (\$13.1 billion)
- higher-than-estimated payments to the states and territories as a result of the commencement of the National Partnership on COVID-19 Response to support the costs to diagnose and treat patients with, or suspected of having COVID-19 (\$2.9 billion)
- higher-than-estimated payments under the Health Protection and Emergency Response program largely reflecting the Government's response to the COVID-19 pandemic, including for the procurement of personal protective equipment (\$2.1 billion)
- higher-than-estimated payments under the NDIS largely reflecting higher-than-expected average package costs and advance payments to providers to provide cash flow relief and keep services going through the COVID-19 pandemic (\$2.1 billion)
- higher-than-estimated payments to the states and territories under the Natural Disaster Relief program and to individuals under the Australian Government Disaster Financial Support Payments program, largely reflecting support in response to the 2019-20 bushfires (\$1.0 billion).

The outcome also reflects decreases in payments across a number of programs including lower-than-estimated payments to the states and territories for road and rail infrastructure reflecting the slower than anticipated progress on relevant projects, largely due to the COVID-19 pandemic and the 2019-20 bushfires (\$1.7 billion).

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Total cash payments in 2019-20 of \$549.6 billion included \$0.4 billion in Future Fund payments. Future Fund payments in 2019-20 were consistent with the estimate at the time of the 2019-20 MYEFO.

Net Future Fund earnings

The underlying cash balance excludes net Future Fund earnings. Net Future Fund earnings were \$5.0 billion in 2019-20, \$0.4 billion lower than estimated at the time of the 2019-20 MYEFO, largely reflecting lower-than-estimated investment earnings.

Net operating balance

The 2019-20 net operating deficit was \$92.3 billion compared with a surplus of \$8.0 billion estimated at the time of the 2019-20 MYEFO. The 2019-20 fiscal balance was a deficit of \$96.3 billion compared with a surplus of \$3.8 billion estimated at the time of the 2019-20 MYEFO.

Revenue

Total revenue was \$486.3 billion in 2019-20, \$24.9 billion lower than estimated at the time of the 2019-20 MYEFO. In comparison, total cash receipts were \$469.4 billion, \$33.1 billion lower than estimated at the time of the 2019-20 MYEFO.

Taxation revenue was \$447.5 billion in 2019-20, \$25.3 billion lower than the estimate at the 2019-20 MYEFO. Changes in taxation revenue were largely driven by the same revenue heads as receipts.

The revenue estimates are the accrual accounting equivalent of the cash-based receipts estimates. The differences between results for taxation receipts (\$32.0 billion lower than forecast) and taxation revenue (\$25.3 billion lower than forecast) generally reflect timing differences between the recognition of revenue and receiving the corresponding revenue. These differences were primarily shown in GST, total individuals and other withholding taxes, and company tax.

- In part, the weaker result for cash was driven by administrative support offered to taxpayers experiencing financial hardship in response to the COVID-19 pandemic, which allowed some taxpayers to defer payments of liabilities into 2020-21.
- GST was \$5.3 billion below the 2019-20 MYEFO forecast on a receipts basis and \$1.9 billion below forecast on a revenue basis. The weaker outcome against forecast for receipts relative to revenue is due to higher-than-expected outstanding liabilities for GST, including liabilities where the taxpayer has been offered a deferral of payment by the ATO.
- Total individuals and other withholding taxes was \$9.0 billion below the 2019-20 MYEFO forecast on a receipts basis and \$6.7 billion below forecast on a revenue basis. The weaker outcome for receipts relative to revenue is largely due to

Part 1: Australian Government Budget Outcome

payment deferrals granted as a result of the impact of the COVID-19 pandemic on taxpayers.

- Company tax was \$13.4 billion below the 2019-20 MYEFO forecast on a receipts basis and \$12.0 billion below forecast on a revenue basis. The lower outcome for receipts relative to revenue is largely due to lower provisions for credit amendments to company tax returns.

Total non-tax revenue was \$38.8 billion in 2019-20, \$0.4 billion higher than estimated at the 2019-20 MYEFO. Non-tax receipts were \$37.6 billion in 2019-20, \$1.1 billion lower than estimated at the time of the 2019-20 MYEFO. The \$1.5 billion difference in the variance for non-tax revenue and non-tax receipts largely reflects timing differences between the recognition of revenue and the corresponding receipt for the Reserve Bank of Australia dividend.

Table 5: Australian Government general government sector (accrual) revenue

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Individuals and other withholding taxes			
Gross income tax withholding	220,300	217,095	-3,205
Gross other individuals	52,900	48,855	-4,045
less: Refunds	36,800	36,219	-581
Total individuals and other withholding tax	236,400	229,731	-6,669
Fringe benefits tax	4,040	3,939	-101
Company tax	99,800	87,846	-11,954
Superannuation fund taxes	8,460	6,621	-1,839
Petroleum resource rent tax(a)	1,130	921	-209
Income taxation revenue	349,830	329,058	-20,772
Goods and services tax	67,230	65,287	-1,943
Wine equalisation tax	1,110	1,040	-70
Luxury car tax	670	632	-38
Excise and customs duty			
Petrol	6,100	5,676	-424
Diesel	12,080	11,923	-157
Other fuel products	2,170	1,907	-263
Tobacco	16,980	15,981	-999
Beer	2,460	2,434	-26
Spirits	2,510	2,641	131
Other alcoholic beverages(b)	1,040	1,048	8
Other customs duty			
Textiles, clothing and footwear	200	169	-31
Passenger motor vehicles	400	369	-31
Other imports	1,260	1,143	-117
less: Refunds and drawbacks	500	669	169
Total excise and customs duty	44,700	42,622	-2,078
Major bank levy	1,610	1,639	29
Agricultural levies	521	469	-53
Other taxes	7,144	6,778	-366
Indirect taxation revenue	122,985	118,467	-4,518
Taxation revenue	472,815	447,526	-25,288
Sales of goods and services	14,980	14,789	-191
Interest	5,247	3,689	-1,559
Dividends	6,383	8,367	1,984
Other non-taxation revenue	11,723	11,907	184
Non-taxation revenue	38,333	38,752	418
Total revenue	511,148	486,278	-24,870
<i>Memorandum:</i>			
Total excise	23,900	23,116	-784
Total customs duty	20,800	19,507	-1,293

(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).

Expenses and net capital investment

Total expenses were \$578.5 billion in 2019-20, \$75.4 billion higher than estimated at the time of the 2019-20 MYEFO. Total net capital investment for 2019-20 was \$4.0 billion, \$0.2 billion lower than the estimate of \$4.2 billion at the time of the 2019-20 MYEFO. This results in a higher-than-estimated net outcome for expenses and net capital investment of \$582.6 billion.

In comparison, cash payments were \$549.6 billion in 2019-20, \$57.7 billion higher than estimated at the time of the 2019-20 MYEFO.

The difference of \$32.9 billion between the net outcome for expenses and net capital investment and the outcome for cash payments is primarily due to timing differences in the accounting treatment of expenses and the associated cash flow, including for the July Update measures *JobKeeper Payment* and *Boosting cash flow for employers* and programs such as the Government superannuation schemes.

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

Table 6: Australian Government general government sector expenses by function

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
General public services			
Legislative and executive affairs	1,355	1,366	11
Financial and fiscal affairs	7,275	7,302	26
Foreign affairs and economic aid	6,293	6,270	-24
General research	3,177	2,940	-237
General services	675	855	180
Government superannuation benefits	11,380	10,739	-641
Defence	32,783	33,187	404
Public order and safety	5,966	6,388	422
Education	35,846	39,885	4,039
Health	83,425	87,023	3,599
Social security and welfare	180,782	196,119	15,336
Housing and community amenities	5,715	5,332	-383
Recreation and culture	3,989	3,971	-18
Fuel and energy	8,161	7,892	-269
Agriculture, forestry and fishing	3,025	2,584	-441
Mining, manufacturing and construction	3,073	2,819	-254
Transport and communication	8,671	7,321	-1,350
Other economic affairs			
Tourism and area promotion	173	165	-8
Labour and employment affairs	3,587	3,810	223
Immigration	3,800	3,488	-312
Other economic affairs nec	2,690	58,030	55,340
Other purposes			
Public debt interest	16,746	16,923	178
Nominal superannuation interest	7,715	7,673	-42
General purpose inter-government transactions	68,547	64,603	-3,944
Natural disaster relief	38	1,863	1,825
Contingency reserve	-1,707	0	1,707
Total expenses	503,180	578,549	75,369

Headline cash balance

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

Table 7 provides further detail between the underlying and headline cash balance estimates of the Australian Government general government sector in 2019-20.

In 2019-20, the headline cash deficit was \$93.9 billion compared with a deficit of \$2.8 billion estimated at the time of the 2019-20 MYEFO. The deterioration in the headline cash balance was primarily driven by the dramatic change in the underlying cash balance reflecting the response to and effects of the COVID-19 pandemic.

Table 7: Australian Government general government sector reconciliation of underlying and headline cash balance

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
2019-20 Underlying cash balance(a)	5,028	-85,272	-90,299
plus Net cash flows from investments in financial assets for policy purposes			
Student loans	-3,901	-3,700	201
NBN loan	-6,143	-6,405	-262
WestConnex	-85	-85	0
Asbestos removal in the ACT — Mr Fluffy loose fill asbestos remediation	900	900	0
Trade support loans	-147	-148	-1
CEFC loans and investments	-769	108	877
Northern Australia Infrastructure Facility	-288	-122	166
Australian Business Securitisation Fund	-200	-15	185
Structured Finance Support Fund	0	-1,685	-1,685
Drought and rural assistance loans	-330	-267	63
Water infrastructure and regional development loans	-190	-90	100
Official Development Assistance — Multilateral Replenishment	-120	-169	-49
National Housing Finance and Investment Corporation	-125	-100	25
Net other(b)	-1,938	-1,855	83
Total net cash flows from investments in financial assets for policy purposes	-13,336	-13,632	-296
plus Net Future Fund earnings	5,468	5,036	-431
2019-20 Headline cash balance	-2,841	-93,868	-91,027

(a) Excludes net Future Fund earnings.

(b) Net other includes 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 2019-20, net debt was \$491.2 billion (24.8 per cent of GDP), \$98.9 billion higher than estimated at the time of the 2019-20 MYEFO. This primarily reflects the increased borrowing requirement stemming from the response to and effects of the COVID-19 pandemic.

Net financial worth was negative \$840.6 billion at the end of 2019-20, compared with negative \$518.8 billion estimated at the 2019-20 MYEFO.

Net worth was negative \$664.9 billion at the end of 2019-20, compared with negative \$346.0 billion estimated at the 2019-20 MYEFO.

The changes in net financial worth and net worth since the 2019-20 MYEFO primarily reflect a significant increase in the borrowing requirement due to the deterioration in the underlying cash balance, and in the Government's reported superannuation liability. The reported increase in the superannuation liability 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 2019-20 MYEFO and at the 2019-20 Final Budget Outcome. The approach to valuing the superannuation liability has not changed from previous budgets or Final Budget Outcomes.

At the 2019-20 MYEFO, 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 the Final Budget Outcome, the Australian Accounting Standards require the use of the long-term government bond rate as at 30 June 2020 that best matches each individual scheme's liability duration. This requirement results in differences in superannuation liability between one Final Budget Outcome and the next, and between budgets and Final Budget Outcomes, due to the discount rate applied, not as a result of changes in the accrued benefits of the defined benefit schemes. At the 2019-20 Final Budget Outcome, the long-term bond rates used were between 1.0 and 1.7 per cent per annum depending on the defined benefit scheme.

The variance in the reported superannuation liability between the 2019-20 MYEFO and 2019-20 Final Budget Outcome was an increase of \$199.3 billion. By way of comparison, the variance between the 2018-19 MYEFO and the 2018-19 Final Budget Outcome was an increase of \$191.6 billion.

Table 8: Australian Government general government sector net worth, net financial worth, net debt and net interest payments

	2019-20 Estimate at 2019-20 MYEFO \$b	2019-20 Outcome \$b	Change on 2019-20 MYEFO \$b
Financial assets	482.8	534.1	51.4
Non-financial assets	172.8	175.7	2.9
Total assets	655.6	709.8	54.2
Total liabilities	1,001.6	1,374.7	373.1
Net worth	-346.0	-664.9	-318.8
Net financial worth(a)	-518.8	-840.6	-321.7
Per cent of GDP	-25.8	-42.4	
Net debt(b)	392.3	491.2	98.9
Per cent of GDP	19.5	24.8	
Net interest payments	11.4	13.3	1.9
Per cent of GDP	0.6	0.7	

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

(b) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (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 the 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 2019-20 have been prepared on a basis consistent with the 2019-20 Mid-Year Economic and Fiscal Outlook (MYEFO). This enables comparison of the 2019-20 revised estimates published at the 2019-20 MYEFO 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 9: Australian Government general government sector operating statement

		2019-20 Estimate at 2019-20 MYEFO	Month of June 2020 (a)	2019-20 Outcome	Change on 2019-20 MYEFO
	Note	\$m	\$m	\$m	\$m
Revenue					
Taxation revenue	3	472,815	32,875	447,526	-25,288
Sales of goods and services	4	14,980	766	14,789	-191
Interest income	5	5,247	236	3,689	-1,559
Dividend income	5	6,383	3,595	8,367	1,984
Other	6	11,723	1,208	11,907	184
Total revenue		511,148	38,680	486,278	-24,870
Expenses					
Gross operating expenses					
Wages and salaries(b)	7	21,366	1,757	20,721	-646
Superannuation	7	12,357	882	12,246	-111
Depreciation and amortisation	8	11,446	794	11,765	319
Supply of goods and services	9	124,029	12,127	125,264	1,235
Other operating expenses(b)	7	7,236	1,572	8,583	1,348
<i>Total gross operating expenses</i>		<i>176,434</i>	<i>17,133</i>	<i>178,579</i>	<i>2,145</i>
Superannuation interest expense	7	7,715	637	7,673	-42
Interest expenses	10	18,215	2,351	18,463	247
Current transfers					
Current grants	11	149,813	9,084	149,799	-15
Subsidy expenses		12,136	18,675	67,641	55,505
Personal benefits	12	128,282	14,685	144,715	16,432
<i>Total current transfers</i>		<i>290,232</i>	<i>42,443</i>	<i>362,154</i>	<i>71,923</i>
Capital transfers					
Mutually agreed write-downs		1,416	51	3,114	1,697
Other capital grants		9,168	3,806	8,567	-601
<i>Total capital transfers</i>		<i>10,584</i>	<i>3,857</i>	<i>11,681</i>	<i>1,096</i>
Total expenses		503,180	66,421	578,549	75,369
Net operating balance		7,968	-27,742	-92,271	-100,239
Other economic flows - included in operating result					
Net write-downs of assets		-6,933	5,007	-8,586	-1,652
Assets recognised for the first time		201	30	153	-49
Actuarial revaluations		81	-8,007	-8,007	-8,088
Net foreign exchange gains		-92	476	-4,447	-4,355
Net swap interest received		-210	364	-563	-353
Market valuation of debt		-1,129	854	-9,193	-8,064
Other gains/(losses)		5,131	-11,362	-3,414	-8,545
Total other economic flows — included in operating result		-2,950	-12,639	-34,056	-31,105
Operating Result(c)		5,018	-40,381	-126,327	-131,345

Table 9: Australian Government general government sector operating statement (continued)

	2019-20 Estimate at 2019-20 MYEFO	Month of June 2020 (a)	2019-20 Outcome	Change on 2019-20 MYEFO
Note	\$m	\$m	\$m	\$m
Non-owner movements in equity				
Revaluation of equity investments	-3,928	6,961	6,951	10,878
Actuarial revaluations	1,879	54	54	-1,825
Other economic revaluations	195	-2,359	2,554	2,358
Total other economic flows — included in equity	-1,853	4,656	9,558	11,411
Comprehensive result —				
Total change in net worth	3,164	-35,725	-116,769	-119,934
Net operating balance	7,968	-27,742	-92,271	-100,239
Net acquisition of non-financial assets				
Purchases of non-financial assets	16,868	1,844	15,876	-992
less Sales of non-financial assets	1,219	204	1,400	181
less Depreciation	11,446	794	11,765	319
plus Change in inventories	-40	-736	1,293	1,332
plus Other movements in non-financial assets	-3	-29	2	5
Total net acquisition of non-financial assets	4,161	81	4,005	-156
Fiscal balance (Net lending/borrowing)(d)	3,807	-27,822	-96,277	-100,084

(a) 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.

(b) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

(c) Operating result under AAS.

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

Table 10: Australian Government general government sector balance sheet

		2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
	Note			
Assets				
Financial assets				
Cash and deposits		7,204	9,453	2,249
Advances paid	13	85,155	82,045	-3,110
Investments, loans and placements	14	198,528	239,749	41,221
Other receivables	13	58,577	75,398	16,821
Equity investments				
Investments in other public sector entities		55,640	65,344	9,704
Equity accounted investments		3,677	3,424	-253
Investments — shares		73,969	58,717	-15,252
<i>Total financial assets</i>		<i>482,751</i>	<i>534,131</i>	<i>51,379</i>
Non-financial assets				
	15			
Land		11,824	11,715	-109
Buildings		43,415	43,419	4
Plant, equipment and infrastructure		87,832	88,973	1,141
Inventories		8,488	9,935	1,447
Intangibles		9,105	9,101	-4
Investment properties		160	208	48
Biological assets		21	31	11
Heritage and cultural assets		11,695	11,976	282
Assets held for sale		231	270	39
Other non-financial assets		32	37	5
<i>Total non-financial assets</i>		<i>172,803</i>	<i>175,666</i>	<i>2,863</i>
Total assets		655,554	709,796	54,242
Liabilities				
Interest bearing liabilities				
Deposits held		388	484	96
Government securities		645,907	784,973	139,066
Loans	16	17,759	17,132	-627
Lease liabilities		19,139	19,876	736
<i>Total interest bearing liabilities</i>		<i>683,193</i>	<i>822,464</i>	<i>139,271</i>

Table 10: Australian Government general government sector balance sheet (continued)

		2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
	Note			
Provisions and payables				
Superannuation liability	17	230,774	430,105	199,332
Other employee liabilities	17	26,663	32,262	5,598
Suppliers payables	18	7,579	7,396	-182
Personal benefits payables	18	3,753	4,670	917
Subsidies payables	18	645	1,041	396
Grants payables	18	4,051	2,847	-1,204
Other payables	18	2,186	4,580	2,393
Provisions	18	42,752	69,323	26,571
<i>Total provisions and payables</i>		<i>318,404</i>	<i>552,224</i>	<i>233,820</i>
Total liabilities		1,001,597	1,374,688	373,092
Net worth(a)		-346,042	-664,892	-318,849
<i>Net financial worth(b)</i>		<i>-518,845</i>	<i>-840,557</i>	<i>-321,712</i>
<i>Net financial liabilities(c)</i>		<i>574,486</i>	<i>905,902</i>	<i>331,416</i>
<i>Net debt(d)</i>		<i>392,305</i>	<i>491,217</i>	<i>98,912</i>

(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 is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid, and investments, loans and placements).

Table 11: Australian Government general government sector cash flow statement^(a)

	2019-20 Estimate at 2019-20 MYEFO \$m	Month of June 2020 (b) \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Cash receipts from operating activities				
Taxes received	463,791	38,982	431,775	-32,016
Receipts from sales of goods and services	15,142	1,924	15,490	347
Interest receipts	5,134	-62	3,244	-1,890
Dividends and income tax equivalents	6,792	449	7,007	215
Other receipts	9,949	-983	10,159	210
Total operating receipts	500,809	40,309	467,674	-33,135
Cash payments for operating activities				
Payments to employees(c)	-31,152	-2,065	-30,293	860
Payments for goods and services	-122,024	-9,947	-126,589	-4,565
Grants and subsidies paid	-170,400	-30,828	-210,772	-40,372
Interest paid	-16,564	-801	-16,524	40
Personal benefit payments	-128,416	-14,490	-143,073	-14,657
Other payments(c)	-6,768	-736	-6,989	-220
Total operating payments	-475,325	-58,867	-534,240	-58,915
Net cash flows from operating activities	25,483	-18,557	-66,566	-92,050
Cash flows from investments in non-financial assets				
Sales of non-financial assets	1,663	105	1,724	61
Purchases of non-financial assets	-14,304	-1,327	-13,032	1,272
Net cash flows from investments in non-financial assets	-12,641	-1,222	-11,308	1,333
Net cash flows from investments in financial assets for policy purposes	-13,336	-1,759	-13,632	-296
Net cash flows from investments in financial assets for liquidity purposes	-15,923	-6,961	-53,639	-37,717
Cash receipts from financing activities				
Borrowing	128,737	33,312	229,205	100,468
Other financing	968	984	4,474	3,506
Total cash receipts from financing activities	129,705	34,296	233,679	103,974
Cash payments for financing activities				
Borrowing	-108,466	-4,265	-77,802	30,664
Other financing	-6,225	-701	-9,885	-3,660
Total cash payments for financing activities	-114,691	-4,965	-87,687	27,004
Net cash flows from financing activities	15,014	29,330	145,992	130,978
Net increase/(decrease) in cash held	-1,403	832	846	2,249

Table 11: Australian Government general government sector cash flow statement (continued)^(a)

	2019-20 Estimate at 2019-20 MYEFO \$m	Month of June 2020 (b) \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
GFS cash surplus(+)/deficit(-)(d)	12,842	-19,779	-77,874	-90,716
<i>plus</i> Net cash flows from financing activities				
for leases(e)	-2,347	-320	-2,361	-14
<i>less</i> Net Future Fund earnings	5,468	258	5,036	-431
Equals underlying cash balance(f)	5,028	-20,357	-85,272	-90,299
<i>plus</i> Net cash flows from investments in				
financial assets for policy purposes	-13,336	-1,759	-13,632	-296
<i>plus</i> Net Future Fund earnings	5,468	258	5,036	-431
Equals headline cash balance	-2,841	-21,858	-93,868	-91,027

(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 classified separately from wages and salaries under other payments.

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

(e) Principal payments on lease liabilities, which are cash flows from financing activities, are deducted in the calculation of the underlying cash balance to maintain consistency of measure following the implementation of AASB 16.

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

Table 12: Australian Government public non-financial corporations sector operating statement

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Revenue			
Current grants and subsidies	65	321	256
Sales of goods and services	16,618	16,618	-1
Interest income	26	38	13
Other	43	51	8
Total revenue	16,753	17,029	276
Expenses			
Gross operating expenses			
Wages and salaries(a)	4,585	4,542	-43
Superannuation	490	526	36
Depreciation and amortisation	4,353	4,564	210
Supply of goods and services	10,385	10,696	311
Other operating expenses(a)	623	716	93
<i>Total gross operating expenses</i>	<i>20,437</i>	<i>21,044</i>	<i>607</i>
Interest expenses	1,643	1,639	-3
Other property expenses	322	283	-40
Current transfers			
Tax expenses	134	208	74
<i>Total current transfers</i>	<i>134</i>	<i>208</i>	<i>74</i>
Total expenses	22,536	23,174	638
Net operating balance	-5,783	-6,145	-362
Other economic flows	378	-442	-820
Comprehensive result — Total change in net worth excluding contribution from owners	-5,405	-6,587	-1,182
Net acquisition of non-financial assets			
Purchases of non-financial assets	10,012	8,751	-1,261
<i>less</i> Sales of non-financial assets	<i>70</i>	<i>236</i>	<i>166</i>
<i>less</i> Depreciation	<i>4,353</i>	<i>4,564</i>	<i>210</i>
<i>plus</i> Change in inventories	<i>5</i>	<i>-1</i>	<i>-6</i>
<i>plus</i> Other movements in non-financial assets	<i>0</i>	<i>0</i>	<i>0</i>
Total net acquisition of non-financial assets	5,594	3,951	-1,644
Fiscal balance (Net lending/borrowing)(b)	-11,377	-10,096	1,282

(a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries 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 13: Australian Government public non-financial corporations sector balance sheet

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Assets			
Financial assets			
Cash and deposits	1,784	2,261	477
Investments, loans and placements(a)	959	421	-538
Other receivables(a)	2,863	3,169	307
Equity investments	177	188	11
<i>Total financial assets</i>	<i>5,783</i>	<i>6,039</i>	<i>256</i>
Non-financial assets			
Land and other fixed assets	56,764	55,674	-1,090
Other non-financial assets(b)	3,864	4,082	218
<i>Total non-financial assets</i>	<i>60,628</i>	<i>59,756</i>	<i>-871</i>
Total assets	66,411	65,795	-616
Liabilities			
Interest bearing liabilities			
Deposits held	13	10	-2
Advances received and loans(a)	25,068	25,050	-19
Lease liabilities	12,896	12,574	-323
<i>Total interest bearing liabilities</i>	<i>37,978</i>	<i>37,634</i>	<i>-344</i>
Provisions and payables			
Superannuation liability	26	28	2
Other employee liabilities	1,861	1,935	74
Other payables(a)	4,762	5,744	982
Other provisions(b)	607	952	346
<i>Total provisions and payables</i>	<i>7,255</i>	<i>8,659</i>	<i>1,404</i>
Total liabilities	45,233	46,293	1,060
Shares and other contributed capital	21,178	19,502	-1,676
Net worth(c)	21,178	19,502	-1,676
<i>Net financial worth(d)</i>	<i>-39,450</i>	<i>-40,254</i>	<i>-805</i>
<i>Net debt(e)</i>	<i>35,234</i>	<i>34,952</i>	<i>-282</i>

(a) In the 2019-20 FBO, derivative assets and liabilities have been reclassified from interest bearing assets and liabilities to non-interest bearing assets and liabilities and are no longer included in the calculation of net debt.

(b) Excludes the impact of commercial taxation adjustments.

(c) 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.

(d) 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.

(e) Net debt equals the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits and investments, loans and placements).

Table 14: Australian Government public non-financial corporations sector cash flow statement^(a)

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Cash receipts from operating activities			
Receipts from sales of goods and services	17,462	17,739	277
Grants and subsidies received	5	264	259
GST input credit receipts	1,148	695	-453
Other receipts	58	31	-27
Total operating receipts	18,674	18,729	56
Cash payments for operating activities			
Payments to employees(b)	-4,658	-4,903	-245
Payment for goods and services	-12,261	-12,276	-15
Interest paid	-810	-1,445	-635
GST payments to taxation authority	-1,041	-380	661
Distributions paid(c)	-333	-286	47
Other payments(b)	-987	-820	167
Total operating payments	-20,089	-20,109	-20
Net cash flows from operating activities	-1,415	-1,379	36
Cash flows from investments in non-financial assets			
Sales of non-financial assets	70	95	25
Purchases of non-financial assets	-7,840	-7,749	92
Net cash flows from investments in non-financial assets	-7,771	-7,654	117
Net cash flows from investments in financial assets for policy purposes	-5	-3	2
Net cash flows from investments in financial assets for liquidity purposes	-38	-61	-23
Net cash flows from financing activities			
Borrowing (net)	8,136	8,483	347
Other financing (net)	789	797	7
Net cash flows from financing activities(c)	8,925	9,279	354
Net increase/(decrease) in cash held	-305	182	487
Cash at the beginning of the year	2,078	2,078	0
Cash at the end of the year	1,773	2,261	488
GFS cash surplus(+)/deficit-(d)	-9,186	-9,033	153
<i>plus</i> Net cash flows from financing activities for leases(e)	-962	-386	575
Adjusted GFS cash surplus(+)/deficit-(e)	-10,147	-9,419	728

(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 classified separately from wages and salaries under other payments.

(c) Consistent with the ABS GFS classification, distributions paid by public corporations are reclassified from cash flows from financing activities to cash flows from operating activities in the 2019-20 FBO. Comparators for the 2019-20 MYEFO have been revised to reflect this reclassification.

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

(e) To retain a consistent measure of the GFS cash surplus/deficit following the implementation of AASB 16, its calculation is adjusted to include the principal payments on lease liabilities.

Table 15: Australian Government total non-financial public sector operating statement

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Revenue			
Taxation revenue	472,708	447,619	-25,089
Sales of goods and services	30,640	30,291	-349
Interest income	4,637	3,087	-1,551
Dividend income	6,060	8,084	2,024
Other	11,804	11,880	75
Total revenue	525,850	500,961	-24,889
Expenses			
Gross operating expenses			
Wages and salaries(a)	25,951	25,262	-688
Superannuation	12,848	12,767	-81
Depreciation and amortisation	15,799	16,329	530
Supply of goods and services	133,440	134,726	1,286
Other operating expenses(a)	7,859	9,300	1,441
<i>Total gross operating expenses</i>	<i>195,896</i>	<i>198,384</i>	<i>2,488</i>
Superannuation interest expense	7,715	7,674	-41
Interest expenses	19,222	19,462	240
Current transfers			
Current grants	149,813	149,799	-15
Subsidy expenses	12,131	67,380	55,249
Personal benefits	128,282	144,715	16,432
<i>Total current transfers</i>	<i>290,227</i>	<i>361,893</i>	<i>71,667</i>
Capital transfers	10,584	11,670	1,086
Total expenses	523,644	599,083	75,438
Net operating balance	2,206	-98,122	-100,328
Other economic flows	1,589	-30,818	-32,407
Comprehensive result — Total change in net worth	3,795	-128,940	-132,735
Net acquisition of non-financial assets			
Purchases of non-financial assets	26,872	24,619	-2,253
<i>less</i> Sales of non-financial assets	<i>1,289</i>	<i>1,636</i>	<i>348</i>
<i>less</i> Depreciation	<i>15,799</i>	<i>16,329</i>	<i>530</i>
<i>plus</i> Change in inventories	<i>-34</i>	<i>1,292</i>	<i>1,326</i>
<i>plus</i> Other movements in non-financial assets	<i>-3</i>	<i>2</i>	<i>5</i>
Total net acquisition of non-financial assets	9,747	7,947	-1,800
Fiscal balance (Net lending/borrowing)(b)	-7,541	-106,069	-98,528

(a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries 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 16: Australian Government total non-financial public sector balance sheet

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Assets			
Financial assets			
Cash and deposits	8,989	11,711	2,722
Advances paid	65,697	62,319	-3,377
Investments, loans and placements(a)	199,459	240,154	40,695
Other receivables(a)	61,302	78,382	17,080
Equity investments	110,021	93,146	-16,876
<i>Total financial assets</i>	<i>445,468</i>	<i>485,711</i>	<i>40,243</i>
Non-financial assets			
Land and other fixed assets	220,009	221,684	1,674
Other non-financial assets	13,464	13,780	317
<i>Total non-financial assets</i>	<i>233,473</i>	<i>235,464</i>	<i>1,991</i>
Total assets	678,941	721,175	42,234
Liabilities			
Interest bearing liabilities			
Deposits held	401	491	90
Government securities	645,907	784,973	139,066
Advances received and loans(a)	23,340	22,440	-900
Lease liabilities	32,027	32,443	415
<i>Total interest bearing liabilities</i>	<i>701,675</i>	<i>840,346</i>	<i>138,671</i>
Provisions and payables			
Superannuation liability	230,800	430,133	199,334
Other employee liabilities	28,524	34,197	5,672
Other payables(a)	22,923	26,166	3,243
Other provisions	43,284	70,250	26,966
<i>Total provisions and payables</i>	<i>325,531</i>	<i>560,745</i>	<i>235,215</i>
Total liabilities	1,027,206	1,401,091	373,885
Net worth(b)	-348,265	-679,916	-331,651
<i>Net financial worth(c)</i>	<i>-581,738</i>	<i>-915,380</i>	<i>-333,642</i>
<i>Net debt(d)</i>	<i>427,531</i>	<i>526,162</i>	<i>98,632</i>

(a) In 2019-20 FBO, derivative assets and liabilities have been reclassified from interest bearing assets and liabilities to non-interest bearing assets and liabilities and are no longer included in the calculation of net debt.

(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 is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid, and investments, loans and placements).

Table 17: Australian Government total non-financial public sector cash flow statement^(a)

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Cash receipts from operating activities			
Taxes received	463,718	431,651	-32,067
Receipts from sales of goods and services	30,484	30,532	48
Interest receipts	4,531	2,632	-1,899
Dividends and income tax equivalents	6,478	6,725	247
Other receipts	9,964	10,002	38
Total operating receipts	515,175	481,543	-33,633
Cash payments for operating activities			
Payments to employees(b)	-35,810	-35,191	619
Payments for goods and services	-132,061	-135,737	-3,676
Grants and subsidies paid	-170,396	-210,503	-40,107
Interest paid	-16,749	-17,333	-584
Personal benefit payments	-128,416	-143,073	-14,657
Other payments(b)	-7,634	-7,652	-19
Total operating payments	-491,066	-549,490	-58,423
Net cash flows from operating activities	24,109	-67,947	-92,056
Cash flows from investments in non-financial assets			
Sales of non-financial assets	1,733	1,819	87
Purchases of non-financial assets	-22,173	-20,781	1,393
Net cash flows from investments in non-financial assets	-20,441	-18,961	1,479
Net cash flows from investments in financial assets for policy purposes	-5,564	-6,202	-638
Net cash flows from investments in financial assets for liquidity purposes	-15,961	-53,704	-37,743
Net cash flows from financing activities			
Borrowing (net)	22,258	153,480	131,222
Other financing (net)	-6,107	-5,640	467
Net cash flows from financing activities	16,150	147,839	131,689
Net increase/(decrease) in cash held	-1,707	1,025	2,732
Cash at the beginning of the year	10,685	10,685	0
Cash at the end of the year	8,979	11,711	2,732
GFS cash surplus(+)/deficit(-)(c)	3,668	-86,908	-90,577
<i>plus</i> Net cash flows from financing activities for leases(d)	-3,309	-2,747	561
Adjusted GFS cash surplus(+)/deficit(-)(d)	360	-89,656	-90,016

(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 classified separately from wages and salaries under other payments.

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

(d) To retain a consistent measure of the GFS cash surplus/deficit following the implementation of AASB 16, its calculation is adjusted to include the principal payments on lease liabilities

Table 18: Australian Government public financial corporations sector operating statement

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Revenue			
Current grants and subsidies	151	166	15
Sales of goods and services	780	812	32
Interest income	1,682	2,044	361
Other	50	68	18
Total revenue	2,663	3,090	426
Expenses			
Gross operating expenses			
Wages and salaries(a)	198	219	21
Superannuation	70	97	27
Depreciation and amortisation	71	82	12
Supply of goods and services	540	455	-85
Other operating expenses(a)	58	58	0
<i>Total gross operating expenses</i>	<i>937</i>	<i>911</i>	<i>-26</i>
Interest expenses	680	609	-71
Other property expenses	875	2,590	1,715
Current transfers			
Tax expenses	8	7	-2
<i>Total current transfers</i>	<i>9</i>	<i>7</i>	<i>-3</i>
Total expenses	2,502	4,117	1,616
Net operating balance	162	-1,028	-1,189
Other economic flows	1,704	2,005	300
Comprehensive result — Total change in net worth excluding contribution from owners	1,866	977	-889
Net acquisition of non-financial assets			
Purchases of non-financial assets	35	66	31
<i>less</i> Sales of non-financial assets	0	3	3
<i>less</i> Depreciation	71	82	12
<i>plus</i> Change in inventories	-28	14	42
<i>plus</i> Other movements in non-financial assets	0	0	0
Total net acquisition of non-financial assets	-64	-4	59
Fiscal balance (Net lending/borrowing)(b)	225	-1,023	-1,248

(a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries 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 19: Australian Government public financial corporations sector balance sheet

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Assets			
Financial assets			
Cash and deposits	1,581	1,419	-162
Investments, loans and placements(a)	179,189	283,381	104,192
Other receivables(a)	143	204	61
Equity investments	625	680	55
<i>Total financial assets</i>	<i>181,539</i>	<i>285,684</i>	<i>104,145</i>
Non-financial assets			
Land and other fixed assets	885	900	14
Other non-financial assets(b)	97	96	-1
<i>Total non-financial assets</i>	<i>983</i>	<i>995</i>	<i>13</i>
Total assets	182,521	286,679	104,157
Liabilities			
Interest bearing liabilities			
Deposits held	139,640	244,380	104,741
Borrowing(a)	7,509	5,224	-2,284
<i>Total interest bearing liabilities</i>	<i>147,148</i>	<i>249,605</i>	<i>102,456</i>
Provisions and payables			
Superannuation liability	726	944	218
Other employee liabilities	211	228	17
Other payables(a)	1,043	3,277	2,234
Other provisions(b)	1,628	1,737	109
<i>Total provisions and payables</i>	<i>3,608</i>	<i>6,186</i>	<i>2,578</i>
Total liabilities	150,756	255,791	105,035
Shares and other contributed capital	31,765	30,888	-877
Net worth(c)	31,765	30,888	-877
<i>Net financial worth(d)</i>	<i>30,783</i>	<i>29,893</i>	<i>-890</i>
<i>Net debt(e)</i>	<i>-33,622</i>	<i>-35,195</i>	<i>-1,573</i>

(a) In 2019-20 FBO, derivative assets and liabilities have been reclassified from interest bearing assets and liabilities to non-interest bearing assets and liabilities and are no longer included in the calculation of net debt.

(b) Excludes the impact of commercial taxation adjustments.

(c) 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.

(d) 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.

(e) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, and investments, loans and placements).

Table 20: Australian Government public financial corporations sector cash flow statement^(a)

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Cash receipts from operating activities			
Receipts from sales of goods and services	802	778	-23
Grants and subsidies received	151	165	14
GST input credit receipts	8	20	13
Interest receipts	1,677	1,725	49
Other receipts	4	35	31
Total operating receipts	2,642	2,724	82
Cash payments for operating activities			
Payments to employees ^(b)	-254	-258	-4
Payments for goods and services	-695	-451	244
Interest paid	-636	-553	83
GST payment to taxation authority	-14	-18	-4
Distributions paid ^(c)	-1,710	-1,708	2
Other payments ^(b)	-71	-62	10
Total operating payments	-3,381	-3,051	330
Net cash flows from operating activities	-739	-327	412
Cash flows from investments in non-financial assets			
Sales of non-financial assets	0	0	0
Purchases of non-financial assets	-77	-55	22
Net cash flows from investments in non-financial assets	-77	-55	22
Net cash flows from investments in financial assets for policy purposes	-466	-1,251	-785
Net cash flows from investments in financial assets for liquidity purposes	9,896	-95,186	-105,082
Net cash flows from financing activities			
Borrowing and deposits received (net)	-10,624	85,831	96,455
Other financing (net)	1,359	10,174	8,816
Net cash flows from financing activities^(c)	-9,265	96,005	105,270
Net increase/(decrease) in cash held	-652	-814	-162
Cash at the beginning of the year	2,233	2,233	0
Cash at the end of the year	1,581	1,419	-162
GFS cash surplus(+)/deficit⁽⁻⁾(d)	-816	-382	434
<i>plus</i> Net cash flows from financing activities for leases ^(e)	-1	-5	-4
Adjusted GFS cash surplus(+)/deficit⁽⁻⁾(e)	-817	-387	430

(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 classified separately from wages and salaries under other payments.

(c) Consistent with the ABS GFS classification, distributions paid by public corporations are reclassified from cash flows from financing activities to cash flows from operating activities in the 2019-20 FBO. Comparators for the 2019-20 MYEFO have been revised to reflect this reclassification.

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

(e) To retain a consistent measure of the GFS cash surplus/deficit following the implementation of AASB 16, its calculation is adjusted to include the principal payments on lease liabilities.

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 with the exception of the Attorney-General's Department, the Department of Defence and the Department of Infrastructure, Transport, Regional Development and Communications.

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 the 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.

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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 to be disclosed where they are reliably attributable. The ABS GFS does not require total assets to be attributed to functions. Disaggregated information for expenses by function is 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 2019-20 year from the 2019-20 Budget to the 2019-20 MYEFO are discussed in Part 3 of the 2019-20 MYEFO. Explanations of variances from the 2019-20 MYEFO to the Final Budget Outcome for 2019-20 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 21.

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 21: 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
Timing recognition of Boosting Cash Flows for Employers	Expense recognition based on underlying economic activity that gives rise to the Cash Flow Boost payment. At 30 June 2020, an accrual is made for estimated payments that relate to the 2019-20 economic activity, for Activity Statements that have not yet been submitted.	Recognised when the businesses receive payments after submitting their activity statements and having met all requirements.	AAS
Leases	AASB 16 introduced a single lease accounting framework for lessees, which replaced the distinction between operating and finance leases. Right of use assets and lease liabilities are recognised on the balance sheets for leases that were previously accounted for as operating expense.	The distinction between operating leases and finance leases will be continued for lessees.	AAS
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

Table 21: Major differences between AAS and ABS GFS (continued)

Issue	AAS treatment	ABS GFS treatment	Treatment adopted
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
Commercial tax effect accounting assets and liabilities	Corporations in the PNFC and PFC sectors record tax expenses on a commercial basis.	Deferred tax assets and liabilities are reversed so that corporations record tax expenses on a consistent basis to the Australian Taxation Office.	ABS GFS
Fiscal aggregates differences			
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
Classification differences			
Prepayments	Treated as a non-financial asset.	Treated as a financial asset.	ABS GFS
Spectrum sales	Recognise non-financial asset sale (lessor finance leases) for fiscal balance when 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 sale 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

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Individuals and other withholding taxes			
Gross income tax withholding	220,300	217,095	-3,205
Gross other individuals	52,900	48,855	-4,045
<i>less: Refunds</i>	36,800	36,219	-581
Total individuals and other withholding taxation	236,400	229,731	-6,669
Fringe benefits tax	4,040	3,939	-101
Company tax	99,800	87,846	-11,954
Superannuation fund taxes	8,460	6,621	-1,839
Petroleum resource rent tax(a)	1,130	921	-209
Income taxation revenue	349,830	329,058	-20,772
Goods and services tax	67,230	65,287	-1,943
Wine equalisation tax	1,110	1,040	-70
Luxury car tax	670	632	-38
Excise and customs duty			
Petrol	6,100	5,676	-424
Diesel	12,080	11,923	-157
Other fuel products	2,170	1,907	-263
Tobacco	16,980	15,981	-999
Beer	2,460	2,434	-26
Spirits	2,510	2,641	131
Other alcoholic beverages(b)	1,040	1,048	8
Other customs duty			
Textiles, clothing and footwear	200	169	-31
Passenger motor vehicles	400	369	-31
Other imports	1,260	1,143	-117
<i>less: Refunds and drawbacks</i>	500	669	169
Total excise and customs duty	44,700	42,622	-2,078
Major bank levy	1,610	1,639	29
Agricultural levies	521	469	-53
Other taxes	7,144	6,778	-366
Mirror taxes	633	593	-40
<i>less: Transfers to States in relation to mirror tax revenue</i>	633	593	-40
Mirror tax revenue	0	0	0
Indirect taxation revenue	122,985	118,467	-4,518
Taxation revenue	472,815	447,526	-25,288
<i>Memorandum:</i>			
<i>Total excise</i>	23,900	23,116	-784
<i>Total customs duty</i>	20,800	19,507	-1,293

(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).

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Note 3(a): Taxation revenue by source

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Taxes on income, profits and capital gains			
Income and capital gains levied on individuals	240,440	233,669	-6,771
Income and capital gains levied on enterprises	109,390	95,389	-14,001
Total taxes on income, profits and capital gains	349,830	329,058	-20,772
Taxes on employers' payroll and labour force	959	1,034	75
Taxes on the provision of goods and services			
Sales/goods and services tax	69,010	66,960	-2,050
Excises and levies	24,421	23,585	-837
Taxes on international trade	20,800	19,507	-1,293
Total taxes on the provision of goods and services	114,231	110,051	-4,180
Taxes on the use of goods and performance of activities	7,795	7,383	-412
Total taxation revenue	472,815	447,526	-25,288

Note 4: Sales of goods and services revenue

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Sales of goods	1,227	1,324	97
Rendering of services	11,639	11,131	-509
Lease rental	107	386	279
Fees from regulatory services	2,006	1,947	-59
Total sales of goods and services revenue	14,980	14,789	-191

Note 5: Interest and dividend revenue

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Interest from other governments			
State and territory debt	30	33	2
Housing agreements	86	87	1
Total interest from other governments	116	120	4
Interest from other sources			
Advances	360	987	628
Deposits	465	410	-55
Indexation of HELP receivable and other student loans	1,037	797	-240
Other	3,269	1,374	-1,895
Total interest from other sources	5,131	3,569	-1,562
Total interest	5,247	3,689	-1,559
Dividends			
Dividends from other public sector entities	1,234	3,095	1,861
Other dividends	5,149	5,272	123
Total dividends	6,383	8,367	1,984
Total interest and dividend revenue	11,630	12,055	426

Note 6: Other sources of non-taxation revenue

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Industry contributions	165	194	29
Royalties	1,150	992	-157
Seigniorage	69	57	-12
Other	10,339	10,665	325
Total other sources of non-taxation revenue	11,723	11,907	184

Note 7: Employee and superannuation expense

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Wages and salaries expenses	21,366	20,721	-646
Other operating expenses			
Leave and other entitlements	2,481	3,217	736
Separations and redundancies	55	213	158
Workers compensation premiums and claims	2,289	2,556	267
Other	2,411	2,597	186
Total other operating expenses	7,236	8,583	1,348
Superannuation expenses			
Superannuation	12,357	12,246	-111
Superannuation interest cost	7,715	7,673	-42
Total superannuation expenses	20,072	19,919	-153
Total employee and superannuation expense	48,674	49,223	549

Note 8: Depreciation and amortisation expense

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Depreciation			
Specialist military equipment	4,767	4,615	-152
Buildings	3,518	3,704	186
Other infrastructure, plant and equipment	1,936	1,973	37
Heritage and cultural assets	81	75	-6
Other	3	5	2
Total depreciation(a)	10,306	10,371	65
Total amortisation	1,140	1,394	254
Total depreciation and amortisation expense	11,446	11,765	319
<i>Memorandum:</i>			
Depreciation relating to right of use assets			
Specialist military equipment	0	31	31
Buildings	2,216	2,374	159
Other infrastructure, plant and equipment	363	348	-15
Other	3	5	2
Total depreciation of right of use assets	2,581	2,759	177

(a) Includes depreciation of right of use (leased) assets, resulting from implementation of AASB 16.

Note 9: Supply of goods and services expense

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Supply of goods and services	34,589	34,065	-524
Lease expenses	296	259	-37
Personal benefits — indirect	81,786	82,118	332
Health care payments	5,012	5,689	677
Other	2,347	3,133	786
Total supply of goods and services expense	124,029	125,264	1,235

Note 10: Interest expense

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Interest on debt			
Government securities	16,588	16,742	154
Loans	2	2	0
Other	222	176	-46
Total interest on debt	16,812	16,920	107
Interest on lease liabilities	387	364	-23
Other financing costs	1,016	1,179	162
Total interest expense	18,215	18,463	247

Note 11: Current and capital grants expense

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Current grants expense			
State and territory governments	118,389	118,096	-293
Private sector	10,294	10,500	206
Overseas	3,964	3,916	-47
Non-profit organisations	4,886	5,652	766
Multi-jurisdictional sector	10,592	10,391	-201
Other	1,688	1,243	-445
Total current grants expense	149,813	149,799	-15
Capital grants expense			
Mutually agreed write-downs	1,416	3,114	1,697
Other capital grants			
State and territory governments	7,251	7,064	-187
Local governments	669	634	-36
Non-profit organisations	1,003	627	-376
Private sector	19	52	33
Overseas	0	22	22
Other	226	169	-56
Total capital grants expense	10,584	11,681	1,096
Total grants expense	160,398	161,479	1,081

Note 12: Personal benefits expense

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Social welfare — assistance to the aged	48,548	50,635	2,087
Assistance to veterans and dependants	4,752	4,992	241
Assistance to people with disabilities	26,098	27,156	1,058
Assistance to families with children	27,168	29,455	2,287
Assistance to the unemployed	11,306	20,092	8,786
Student assistance	2,238	3,583	1,345
Other welfare programs	1,036	1,022	-14
Financial and fiscal affairs	461	746	285
Vocational and industry training	36	31	-5
Other	6,642	7,003	361
Total personal benefits expense	128,282	144,715	16,432

Note 13: Advances paid and other receivables

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Advances paid			
Loans to State and Territory governments	2,397	2,474	77
Student loans	55,029	52,377	-2,651
Other	28,124	27,500	-625
less Impairment allowance	395	307	-89
Total advances paid	85,155	82,045	-3,110
Other receivables			
Goods and services receivable	1,372	2,117	744
Recoveries of benefit payments	6,196	5,845	-351
Taxes receivable	28,817	36,029	7,212
Prepayments	4,209	4,658	450
Other	21,142	29,957	8,815
less Impairment allowance	3,158	3,207	49
Total other receivables	58,577	75,398	16,821

Note 14: Investments, loans and placements

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Investments — deposits	40,408	75,757	35,349
IMF quota	13,219	13,214	-5
Other	144,902	150,779	5,877
Total investments, loans and placements	198,528	239,749	41,221

Note 15: Non-financial assets

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Land and buildings			
Land	11,824	11,715	-109
Buildings	43,415	43,419	4
Total land and buildings	55,240	55,134	-105
Plant, equipment and infrastructure			
Specialist military equipment	69,914	71,615	1,701
Other plant, equipment and infrastructure	17,918	17,357	-560
Total plant, equipment and infrastructure	87,832	88,973	1,141
Inventories			
Inventories held for sale	1,074	1,090	16
Inventories not held for sale	7,414	8,845	1,431
Total inventories	8,488	9,935	1,447
Intangibles			
Computer software	4,639	4,656	17
Other	4,466	4,445	-21
Total intangibles	9,105	9,101	-4
Total investment properties	160	208	48
Total biological assets	21	31	11
Total heritage and cultural assets	11,695	11,976	282
Total assets held for sale	231	270	39
Total other non-financial assets	32	37	5
Total non-financial assets(a)	172,803	175,666	2,863
<i>Memorandum:</i>			
Total relating to right of use assets			
Land	115	159	45
Buildings	16,466	17,392	926
Specialist military equipment	0	291	291
Other plant, equipment and infrastructure	2,033	1,804	-229
Total right of use assets	18,614	19,647	1,033

(a) Include right of use (leased) assets, resulting from implementation of AASB 16.

Note 16: Loans

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Promissory notes	10,608	10,051	-557
Special drawing rights	6,201	6,199	-2
Other	949	883	-67
Total loans	17,759	17,132	-627

Note 17: Employee and superannuation liabilities

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Total superannuation liability(a)	230,774	430,105	199,332
Other employee liabilities			
Leave and other entitlements	8,824	9,513	689
Accrued salaries and wages	330	444	113
Workers compensation claims	1,940	2,029	89
Military compensation	15,174	19,815	4,641
Other	394	461	66
Total other employee liabilities	26,663	32,262	5,598
Total employee and superannuation liabilities	257,437	462,367	204,930

(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 2019-20 FBO was calculated using the spot rates on long-term government bonds as at 30 June 2020 that best matched each individual scheme's liability duration. These rates were between 1.0 and 1.7 per cent per annum.

Note 18: Provisions and payables

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Suppliers payable			
Trade creditors	5,396	6,154	758
Lease rental payable	195	10	-186
Personal benefits payables — indirect	1,695	644	-1,051
Other creditors	292	588	297
Total suppliers payables	7,579	7,396	-182
Total personal benefits payables — direct	3,753	4,670	917
Total subsidies payable	645	1,041	396
Grants payables			
State and territory governments	70	134	64
Non-profit organisations	230	162	-68
Private sector	526	446	-80
Overseas	1,927	1,867	-60
Local governments	1	8	6
Other	1,297	231	-1,066
Total grants payables	4,051	2,847	-1,204
Total other payables	2,186	4,580	2,393
Provisions			
Provisions for tax refunds	3,653	3,105	-549
Grants provisions	7,971	9,050	1,079
Personal benefits provisions — direct	6,859	7,924	1,064
Personal benefits provisions — indirect	2,607	2,915	308
Provisions for subsidies	4,177	23,689	19,512
Other	17,484	22,641	5,156
Total provisions	42,752	69,323	26,571

Note 19: Reconciliation of cash

	2019-20 Estimate at 2019-20 MYEFO \$m	2019-20 Outcome \$m	Change on 2019-20 MYEFO \$m
Net operating balance (revenues less expenses)	7,968	-92,271	-100,239
<i>less</i> Revenues not providing cash			
Other	1,367	1,598	231
Total revenues not providing cash	1,367	1,598	231
<i>plus</i> Expenses not requiring cash			
Increase/(decrease) in employee entitlements	10,884	8,367	-2,517
Depreciation/amortisation expense	11,446	11,765	319
Mutually agreed write-downs	1,416	3,114	1,697
Other	1,383	1,837	454
Total expenses not requiring cash	25,129	25,083	-47
<i>plus</i> Cash provided/(used) by working capital items			
Decrease/(increase) in inventories	40	-1,293	-1,333
Decrease/(increase) in receivables	-7,514	-24,432	-16,918
Decrease/(increase) in other financial assets	113	1,360	1,247
Decrease/(increase) in other non-financial assets	47	-1,215	-1,262
Increase/(decrease) in benefits, subsidies and grants payable	2,115	23,488	21,373
Increase/(decrease) in suppliers' liabilities	-637	-339	298
Increase/(decrease) in other provisions and payables	-412	4,656	5,068
Net cash provided/(used) by working capital	-6,248	2,225	8,473
<i>equals</i> (Net cash from/(to) operating activities)	25,483	-66,566	-92,050
<i>plus</i> (Net cash from/(to) investing activities)	-41,900	-78,579	-36,680
Net cash from operating activities and investment	-16,416	-145,146	-128,729
<i>plus</i> (Net cash from/(to) financing activities)	15,014	145,992	130,978
equals Net increase/(decrease) in cash	-1,403	846	2,249
Cash at the beginning of the year	8,607	8,607	0
Net increase/(decrease) in cash	-1,403	846	2,249
Cash at the end of the year	7,204	9,453	2,249

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' the 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*.¹

1 Additional information on the Australian accrual GFS framework is available in the ABS publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 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.²

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

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

Operating statement

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

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

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

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

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

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.³

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

Balance sheet

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

Net worth

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

³ 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 interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid, and investments, loans and placements). The financial assets include Future Fund investments in interest bearing securities and collective investment vehicles (CIVs). CIVs enable investors to pool their money and invest the pooled funds, rather than buying securities directly. 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.

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
plus
Net cash flows from investments in non-financial assets
equals
ABS GFS cash surplus/deficit
plus
Net cash flows from financing activities for leases
less
Net Future Fund cash earnings
equals
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.

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 11 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.

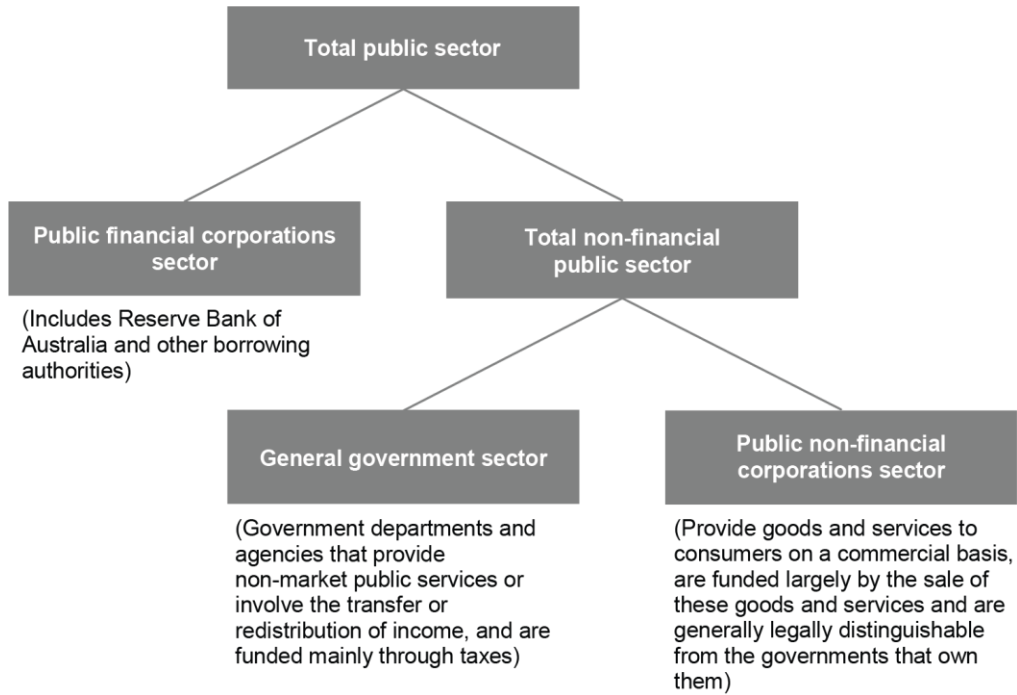
Net cash flows from investments in financial assets for policy purposes include equity transactions and advances paid.⁴ Equity transactions include equity injections into controlled businesses and privatisations of government businesses. Advances paid include net loans to the states, and net loans to 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.

⁴ 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 22).

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/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-list.

Table 22: Entities outside of the general government sector — 2019-20

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

**Table 22: Entities outside of the general government sector — 2019-20
(continued)**

Public non-financial corporations (continued)

Prime Minister and Cabinet Portfolio

- Voyages Indigenous Tourism Australia Pty Ltd

* 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 Financial 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.

Overview of payments to the states

The states receive substantial financial support from the Australian Government. In 2019-20, the Australian Government provided the states with payments totalling \$125.8 billion, comprising specific purpose payments of \$63.8 billion and general revenue assistance (including GST entitlements) of \$62.0 billion, as shown in Table 25. Payments to the states constituted 21.7 per cent of total Australian Government expenditure in 2019-20.

Table 25: Australian Government payments to the states, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments for specific purposes	20,623	15,254	13,342	6,637	4,252	1,356	1,045	1,257	63,766
General revenue assistance	16,723	15,453	12,780	4,732	6,095	2,229	1,291	2,724	62,028
Total payments to the states	37,346	30,707	26,122	11,369	10,347	3,586	2,336	3,981	125,795

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 2019-20, 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

Part 3: Australia's Federal Financial Relations

- National Health Reform funding for public hospitals and COVID-19 response
- Quality Schools funding for government and non-government schools
- National Housing and Homelessness funding
- National Partnership payments across a wide range of policy areas.

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

In 2019-20, 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
- 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.

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 2019-20, and previous years. The Treasurer will determine the final amount and state allocations for 2019-20 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.

Total payments for specific purposes

In 2019-20, the states received \$63.8 billion in payments for specific purposes, which constituted 11.0 per cent of total Australian Government expenditure. Total payments for specific purposes by category are in shown Table 26.

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Table 26: Total payments for specific purposes by category, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Specific Purpose Payments	490	401	309	334	106	32	26	15	1,713
National Health Reform funding(a)	8,028	6,622	5,353	2,590	1,610	520	476	317	25,516
Quality Schools funding	6,914	5,408	4,731	2,292	1,709	493	357	403	22,307
National Housing and Homelessness funding	483	405	321	167	109	34	26	20	1,565
National Partnership payments(b)	4,708	2,417	2,628	1,255	717	277	160	502	12,666
Total payments for specific purposes	20,623	15,254	13,342	6,637	4,252	1,356	1,045	1,257	63,766

(a) Entitlements for 2019-20 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 are shown in Table 27.

Table 27: Total payments for specific purposes by sector and category, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Health</i>									
National Health Reform funding(a)	8,028	6,622	5,353	2,590	1,610	520	476	317	25,516
National Partnerships	60	51	42	27	24	37	9	31	280
Total health payments	8,087	6,673	5,395	2,616	1,634	557	485	348	25,795
<i>Education</i>									
Quality Schools funding	6,914	5,408	4,731	2,292	1,709	493	357	403	22,307
National Partnerships	148	147	105	58	39	13	12	40	563
Total education payments	7,062	5,555	4,837	2,350	1,748	506	369	443	22,870
<i>Skills and workforce development</i>									
National Skills and Workforce Development SPP									
Development SPP	490	401	309	159	106	32	26	15	1,539
National Partnerships	105	-	-	36	23	10	6	3	183
Total skills and workforce development payments	595	401	309	195	129	42	32	18	1,721
<i>Community services</i>									
National Disability SPP									
National Disability SPP	-	-	-	174	-	-	-	-	174
National Partnerships	648	251	557	32	76	24	49	59	1,696
Total community services payments	648	251	557	206	76	24	49	59	1,870
<i>Affordable housing</i>									
National Housing and Homeslessness funding									
National Housing and Homeslessness funding	483	405	321	167	109	34	26	20	1,565
National Partnerships	..	-	-	-	-	-	-	86	86
Total affordable housing payments	483	405	321	167	109	34	26	106	1,651
<i>Infrastructure</i>									
National Partnerships	1,446	1,040	1,347	616	206	112	12	200	4,979
<i>Environment</i>									
National Partnerships	45	63	66	9	68	24	3	13	291
<i>Contingent payments</i>									
National Partnerships	1,360	165	-113	130	90	-33	1	20	1,621
<i>Other</i>									
National Partnerships(b)	896	700	624	348	192	90	69	48	2,967
Total payments for specific purposes	20,623	15,254	13,342	6,637	4,252	1,356	1,045	1,257	63,766

(a) Entitlements for 2019-20 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.

Table 28 shows total cash payments made in 2019-20.

Table 28: DRFA and NDRRA cash payments, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
DRFA and NDRRA	674.6	126.3	506.9	-	33.7	21.9	..	11.4	1,374.8
Total	674.6	126.3	506.9	-	33.7	21.9	..	11.4	1,374.8

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. See Table 43 in Attachment A for the expense outcome.

General revenue assistance

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

In 2019-20, the states received \$62.0 billion in general revenue assistance from the Australian Government, comprising \$60.2 billion in GST entitlements and \$1.8 billion of other general revenue assistance (Table 29). Total general revenue assistance to the states constituted 10.7 per cent of total Australian Government expenditure in 2019-20.

Table 29: General revenue assistance, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement(a)	16,723.2	15,453.4	12,780.0	3,234.7	6,095.4	2,229.2	1,250.6	2,469.4	60,235.9
Other payments									
ACT municipal services	-	-	-	-	-	-	40.7	-	40.7
Compensation for reduced royalties	-	-	-	19.2	-	-	-	-	19.2
Royalty payments	-	-	-	663.6	-	-	-	2.7	666.2
Transitional GST top-up payments(b)	-	-	-	814.2	-	-	-	252.1	1,066.3
Total other general revenue assistance	-	-	-	1,497.0	-	-	40.7	254.8	1,792.4
Total	16,723.2	15,453.4	12,780.0	4,731.6	6,095.4	2,229.2	1,291.3	2,724.2	62,028.3

(a) The 2019-20 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 the balance of its \$1.2 billion 2019-20 top-up payment following a partial pre-payment of \$434 million 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 2019-20, GST revenue was \$65.3 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, 2019-20

\$million	Total
GST revenue	65,287.2
less Change in GST receivables	5,023.9
GST receipts	60,263.3
less Non-GIC penalties collected	60.2
less Net GST collected by Commonwealth agencies but not yet remitted to the ATO	-32.8
States' GST entitlement(a)	60,235.9

(a) The 2019-20 GST outcome will be finalised following a Determination by the Treasurer.

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

For 2019-20, the states' GST entitlement is expected to be \$60.2 billion. This is \$5.2 billion lower than the advances paid during 2019-20. Once the Treasurer has made a Determination of the GST entitlement for 2019-20, 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, 2019-20

\$million	Total
States' GST entitlement(a)	60,235.9
less Advances of GST made throughout 2019-20	65,410.0
<i>equals</i> Balancing adjustment	-5,174.1

(a) The 2019-20 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 2019-20 in March 2019. The relativities for 2019-20 are shown in Table 32.

Table 32: GST relativities, 2019-20

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2019-20	0.87013	0.98273	1.05370	0.51842	1.46552	1.75576	1.23759	4.26735

The detailed calculation for the distribution of the GST entitlement in 2019-20 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 2019, as determined by the Australian Statistician.

Table 33: Calculation of the 2019-20 GST entitlements ^(a)

	Population as at 31 December 2019 (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	8,128,984	0.87013	7,073,273	27.8	16,723.2
VIC	6,651,074	0.98273	6,536,210	25.7	15,453.4
QLD	5,129,996	1.05370	5,405,477	21.2	12,780.0
WA	2,639,080	0.51842	1,368,152	5.4	3,234.7
SA	1,759,184	1.46552	2,578,119	10.1	6,095.4
TAS	537,012	1.75576	942,864	3.7	2,229.2
ACT	427,419	1.23759	528,969	2.1	1,250.6
NT	244,761	4.26735	1,044,481	4.1	2,469.4
Total	25,517,510	na	25,477,545	100.0	60,235.9

(a) The 2019-20 GST outcome will be finalised following a Determination by the Treasurer.

Table 34 provides a summary of the advances made in 2019-20 against the states' estimated final entitlements shown in Table 33. The variance between advances paid in 2019-20 and the states' final entitlements will be included as an adjustment to payments in the 2020-21 financial year.

Table 34: Summary of GST advances made in 2019-20 and distribution of the balancing adjustment across states ^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement	16,723.2	15,453.4	12,780.0	3,234.7	6,095.4	2,229.2	1,250.6	2,469.4	60,235.9
19-20 advances	18,192.1	16,798.4	13,867.9	3,489.2	6,591.7	2,417.3	1,368.0	2,685.3	65,410.0
Balancing adjustment	-1,468.9	-1,345.0	-1,087.9	-254.6	-496.3	-188.2	-117.4	-215.9	-5,174.1

(a) The 2019-20 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, 2019-20

\$million	Actual	
	2018-19	2019-20
Australian Taxation Office budget	599.2	646.6
less Prior year adjustment	-	-
<i>equals</i> State government administration payments	599.2	646.6
less Australian Taxation Office outcome	599.2	646.6
<i>equals</i> Commonwealth budget impact	-	-
<i>plus</i> Prior year adjustment	-	-
<i>equals</i> Following year adjustment	-	-

The estimated outcome for the 2019-20 GST administration expense is \$646.6 million. GST administration costs for 2019-20 were capped at the estimate as per Schedule B of

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the *GST Administration Performance Agreement* and will move to a full cost recovery arrangement from 2020-21 as endorsed by the Council on Federal Financial Relations.

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 2019-20:

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

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

Table 36: Payments for specific purposes to support state health services, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Health Reform funding(a)									
Hospital services	6,819.0	5,415.5	4,923.4	2,357.7	1,465.7	435.6	426.9	295.4	22,139.2
Public health	134.2	109.8	84.7	43.6	29.0	8.9	7.1	4.0	421.2
COVID-19 public health response	1,074.4	1,097.1	345.3	188.4	115.4	75.4	41.7	17.5	2,955.2
Total National Health Reform funding	8,027.5	6,622.4	5,353.4	2,589.7	1,610.1	519.9	475.6	317.0	25,515.6
National Partnership payments									
Health services									
Achieving better health outcomes	0.3	-	-	-	-	-	-	-	0.3
Additional assistance for public hospitals	-	-	-	-	-	-	4.1	-	4.1
Adult Mental Health Centres	-	-	-	-	2.0	-	-	-	2.0
Comprehensive palliative care across the life course	2.0	-	-	1.0	0.7	-	0.2	0.1	3.9
Expansion of the BreastScreen Australia program	4.9	3.8	3.0	1.6	1.1	0.3	0.2	0.2	15.2
Hummingbird House	-	-	0.8	-	-	-	-	-	0.8
Management of Torres Strait / Papua New Guinea cross-border health issues	-	-	4.9	-	-	-	-	-	4.9
Mosquito control and cross border liaison in the Torres Strait	-	-	1.0	-	-	-	-	-	1.0
National Bowel Cancer Screening Program — participant follow-up function	2.8	2.2	1.8	1.0	0.7	0.3	0.2	0.1	8.9
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	-	-	-	-	-	-	-	16.5	16.5
Specialist dementia care program	0.2	0.4	0.4	0.3	0.2	-	0.1	-	1.5
Vaccine-preventable diseases surveillance	0.2	0.2	0.2	0.1	0.1	0.1	0.9
Victorian Cytology service	-	10.5	-	-	-	-	-	-	10.5

(a) Entitlements for 2019-20 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, 2019-20 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Health Infrastructure									
Fussell House accommodation	2.7	-	-	-	-	-	-	-	2.7
Grace's Place	4.1	-	-	-	-	-	-	-	4.1
Health infrastructure projects	-	0.5	-	4.4	-	10.0	-	2.2	17.1
Redevelopment of Strathalbyn residential aged care facility	-	-	-	-	0.7	-	-	-	0.7
Indigenous health									
Addressing blood borne viruses and sexually transmitted infections in the Torres Strait	-	-	1.1	-	-	-	-	-	1.1
Improving trachoma control services for Indigenous Australians	-	-	0.3	1.7	1.4	-	-	1.9	5.2
Northern Territory remote Aboriginal investment — health component	-	-	-	-	-	-	-	6.7	6.7
Rheumatic fever strategy	-	-	0.9	0.9	0.4	-	-	0.9	3.2
Other Health									
CCTV trial in aged care facilities	-	-	-	-	0.5	-	-	-	0.5
Community Health, Hospitals and Infrastructure projects	2.8	1.2	-	3.5	2.2	22.4	2.3	0.2	34.6
Encouraging more clinical trials in Australia	0.6	0.2	0.3	0.2	0.1	0.1	0.2	0.1	1.8
Essential vaccines	3.3	3.5	3.0	1.8	0.9	0.5	0.5	0.4	14.0
Lymphoedema garments and allied health therapy	0.6	0.5	0.4	0.2	0.1	2.0
National Coronial Information System	-	0.4	-	-	-	-	-	-	0.4
Public dental services for adults	34.4	26.9	21.7	9.7	9.4	3.4	1.0	1.4	107.7
Suicide prevention	0.4	-	-	-	-	-	0.2	-	0.6
Veteran Wellbeing Centre Program	-	-	2.1	-	2.9	-	-	-	5.0
Total National Partnership payments	59.5	50.5	42.0	26.6	23.6	37.3	9.0	31.1	279.7
Total	8,087.1	6,672.9	5,395.4	2,616.3	1,633.7	557.1	484.7	348.1	25,795.3

Table 37: Payments for specific purposes to support state education services, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Quality Schools funding(a)(b)(c)	6,913.8	5,407.9	4,731.4	2,291.7	1,709.2	493.2	357.0	402.9	22,307.1
National Partnership payments									
Local Schools Community Fund	9.4	7.6	6.0	3.2	2.0	1.0	0.6	0.4	30.2
MoneySmart Teaching	-	-	-	-	-	-	0.1	-	0.1
National School Chaplaincy Program	12.3	13.1	18.8	7.7	7.7	2.2	0.9	0.4	63.2
Northern Territory Remote Aboriginal investment(a)									
Children and schooling component	-	-	-	-	-	-	-	34.7	34.7
School Pathways Program	-	-	-	0.6	0.6	-	-	-	1.2
Universal Access to Early Childhood Education	126.7	126.0	80.4	46.9	28.6	9.4	10.3	4.8	433.2
Total National Partnership payments	148.4	146.8	105.2	58.5	38.9	12.6	11.9	40.3	562.6
Total	7,062.1	5,554.6	4,836.6	2,350.2	1,748.1	505.8	368.9	443.2	22,869.7
<i>Memorandum item — payments for non-government schools included in payments above</i>									
Quality Schools funding(a)(b)(c)	4,276.5	3,451.9	2,865.0	1,462.3	1,138.1	284.0	239.0	201.1	13,917.9
Total	4,276.5	3,451.9	2,865.0	1,462.3	1,138.1	284.0	239.0	201.1	13,917.9

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

(b) The 2019-20 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, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Skills and Workforce Development SPP	490.1	401.0	309.3	159.1	106.1	32.4	25.8	14.8	1,538.6
National Partnership payments									
National Infection Control Training Fund	-	-	-	4.1	2.8	0.8	0.7	-	8.4
Skills for Tasmania	-	-	-	-	-	2.3	-	-	2.3
Skilling Australians Fund	105.1	-	-	32.0	20.1	6.8	5.5	2.8	172.3
Total National Partnership payments	105.1	-	-	36.1	22.9	9.9	6.2	2.8	182.9
Total	595.2	401.0	309.3	195.3	128.9	42.3	31.9	17.6	1,721.5

Table 39: Payments for specific purposes to support state community services, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Disability SPP	-	-	-	174.4	-	-	-	-	174.4
National Partnership payments									
Covid-19 Domestic Violence Support	8.8	7.2	6.0	3.6	2.8	1.5	1.4	1.3	32.5
NDIS Strategic Investment in QLD	-	-	3.5	-	-	-	-	-	3.5
Northern Territory Remote Aboriginal investment									
Community safety implementation plan	-	-	-	-	-	-	-	44.4	44.4
Pay equity for the social and community services sector	31.9	-	-	-	-	-	-	4.0	35.9
Payments from the DisabilityCare Australia Fund(b)	607.0	244.0	547.4	-	72.7	22.5	47.2	9.7	1,550.5
Specialist disability services	-	-	-	28.2	-	-	-	-	28.2
Women's Safety Package Technology Trials	-	0.1	0.1	-	0.2	0.4	-	-	0.8
Total National Partnership payments	647.7	251.2	557.0	31.9	75.6	24.5	48.6	59.4	1,695.8
Total	647.7	251.2	557.0	206.3	75.6	24.5	48.6	59.4	1,870.2

Table 40: Payments for specific purposes to support state affordable housing services, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Housing and Homelessness Agreement	482.7	405.3	320.5	166.9	109.3	33.8	26.5	19.9	1,564.9
National Partnership payments									
National Regulatory System for Community Housing	0.2	-	-	-	-	-	-	-	0.2
Northern Territory Remote Aboriginal investment									
Remote Australia strategies component	-	-	-	-	-	-	-	3.5	3.5
Remote Housing	-	-	-	-	-	-	-	82.8	82.8
Total National Partnership payments	0.2	-	-	-	-	-	-	86.3	86.5
Total	482.9	405.3	320.5	166.9	109.3	33.8	26.5	106.2	1,651.4

Table 41: Payments for specific purposes to support state infrastructure services, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments									
Infrastructure Investment Program									
Black spot projects	14.9	24.6	18.4	13.6	7.2	2.1	0.5	0.3	81.6
Bridges Renewal Program	33.9	6.3	37.0	7.9	2.7	0.5	0.3	1.6	90.1
Developing Northern Australia									
Improving cattle supply chains	-	-	16.5	12.1	-	-	-	17.6	46.1
Northern Australian Roads	-	-	68.3	43.3	-	-	-	74.9	186.5
Heavy Vehicle Safety and Productivity Program	15.3	6.4	16.5	6.6	3.0	2.7	-	1.3	51.6
Major Business Cases	6.0	-	7.5	-	-	-	-	-	13.5
National Rail Program	26.7	-	12.5	1.4	-	-	-	-	40.6
Rail Investment component	-	265.6	-	24.2	36.0	17.0	-	-	342.7
Road Investment component(a)	531.2	507.9	999.2	355.8	80.7	54.5	4.4	44.4	2,578.1
Roads of Strategic Importance	22.6	3.5	10.5	60.2	-	15.3	-	16.3	128.4
Roads to Recovery Program	177.6	110.7	115.6	76.0	53.2	16.8	6.7	12.6	569.0
Urban Congestion Fund	4.5	104.1	25.0	14.4	-	-	-	-	148.1
Infrastructure Growth Package									
New Investments	38.9	0.2	2.0	-	-	-	-	5.4	46.5
Western Sydney Infrastructure Plan	529.5	-	-	-	-	-	-	-	529.5
Other National Partnership Payments									
Adelaide City Deal	-	-	-	-	3.2	-	-	-	3.2
Barkly Regional Deal	-	-	-	-	-	-	-	1.3	1.3
Darwin City Deal	-	-	-	-	-	-	-	25.0	25.0
Drought Communities Program	38.6	9.7	17.8	-	20.0	0.4	0.5	-	87.0
Geelong City Deal	-	1.5	-	-	-	-	-	-	1.5
Launceston City Deal - Tamar River	-	-	-	-	-	2.5	-	-	2.5
Western Sydney City Deal	6.3	-	-	-	-	-	-	-	6.3
Total	1,445.9	1,040.4	1,346.8	615.5	206.0	111.6	12.3	200.4	4,979.0

Table 41: Payments for specific purposes to support state infrastructure services, 2019-20 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<i>Memorandum item — payments direct to local governments included in payments above</i>									
Infrastructure Investment Program									
Roads to Recovery	176.6	110.7	115.6	76.0	42.7	16.8	-	8.4	546.7
Other National Partnership Payments									
Drought Communities Program	38.6	9.7	17.8	-	20.0	0.4	0.5	-	87.0
Total	215.2	120.4	133.4	76.0	62.7	17.1	0.5	8.4	633.7

(b) 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, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments									
Bushfire Wildlife and Habitat Recovery	5.0	3.0	1.5	1.0	1.5	0.5	0.5	-	13.0
Development of business cases for constraints measures and implementation	4.3	-	-	-	0.5	-	-	-	4.8
Environmental management of the former Rum Jungle Mine site	-	-	-	-	-	-	-	5.3	5.3
Great Artesian Basin sustainability initiative	-	-	1.8	-	0.8	-	-	-	2.7
Hydrogen energy supply chain pilot project	-	17.5	-	-	-	-	-	-	17.5
Implementing water reform in the Murray-Darling Basin	9.4	6.8	2.0	-	1.5	-	0.3	-	20.0
Lindenow Valley water security scheme	-	1.0	-	-	-	-	-	-	1.0
Management of established pest and weeds	-	-	-	1.0	3.0	-	-	-	4.0
National Water Infrastructure Development Fund									
Feasibility studies	-	-	16.9	0.4	-	-	-	0.2	17.4
Capital	-	7.2	2.6	-	10.2	14.0	-	-	34.0
Natural disaster resilience	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
On-farm emergency water infrastructure rebate	14.3	3.5	5.0	3.8	2.5	..	0.1	1.7	30.7
Pest and disease preparedness and response programs	-	0.1	24.3	-0.5	-	-	-	5.2	29.1

Table 42: Payments for specific purposes to support state environment services, 2019-20 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Preparing Australia package	0.4	-	-	-	-	-	-	-	0.4
Sustainable rural water use and infrastructure program	5.7	20.7	1.1	-	18.1	-	0.6	-	46.2
Water Efficiency Program	0.1	-	-	-	-	-	0.2	-	0.3
Water for Fodder Program	-	-	-	-	28.0	-	-	-	28.0
World Heritage Sites	0.8	-	3.1	0.4	0.1	8.2	-	-	12.6
Yellow crazy ant control	-	-	3.0	-	-	-	-	-	3.0
Total	45.4	63.1	66.1	8.5	67.9	23.8	2.8	13.4	290.9

Table 43: Payments for specific purposes to support contingent state services, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments									
Disaster Recovery Funding and Natural Disaster Relief and Recovery Arrangements(a)	1,360.0	165.5	-113.1	130.1	90.1	-32.6	0.8	20.3	1,621.2
Total	1,360.0	165.5	-113.1	130.1	90.1	-32.6	0.8	20.3	1,621.2

(a) Figures reflect the expense outcome. Total cash payments made in 2019-20 are presented in Table 28.

Table 44: Payments for specific purposes to support other state services, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments									
Bushfire legal assistance funding	1.7	0.5	0.4	-	0.3	-	-	-	2.9
COVID-19 legal assistance funding	7.2	5.7	5.8	3.6	2.3	0.9	0.8	1.7	27.9
Family advocacy and support services	2.3	1.6	1.4	1.0	0.8	1.0	0.7	0.8	9.7
Family law information sharing	0.7	0.3	0.7	0.3	0.2	0.3	0.3	-	2.7
Financial assistance for police officers	0.2	-	-	-	-	-	-	-	0.2
Financial assistance to local governments	799.4	626.0	506.3	305.8	167.1	79.7	55.4	36.0	2,575.6
Household resilience program	-	-	10.0	-	-	-	-	-	10.0
Legal assistance services	79.8	62.1	54.2	32.0	20.6	7.6	6.1	7.6	270.0
National tourism icons package	-	-	1.2	3.7	-	0.3	-	-	5.2
North Queensland stadium	-	-	35.0	-	-	-	-	-	35.0
North Queensland strata title inspection scheme	-	-	5.3	-	-	-	-	-	5.3
Provision of fire services	5.0	3.5	3.4	1.6	1.2	0.3	5.3	2.3	22.6
Sinking fund on state debt	..	-	-	-	-	-	-	-	..
Total	896.4	699.7	623.7	347.9	192.4	90.0	68.6	48.3	2,967.2

Table 45: General revenue assistance payments to the states, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement(a)	16,723.2	15,453.4	12,780.0	3,234.7	6,095.4	2,229.2	1,250.6	2,469.4	60,235.9
Other payments									
ACT municipal services	-	-	-	-	-	-	40.7	-	40.7
Compensation for reduced royalties	-	-	-	19.2	-	-	-	-	19.2
Royalty payments	-	-	-	663.6	-	-	-	2.7	666.2
Transitional GST top-up payments(b)	-	-	-	814.2	-	-	-	252.1	1,066.3
Total other general revenue assistance	-	-	-	1,497.0	-	-	40.7	254.8	1,792.4
Total	16,723.2	15,453.4	12,780.0	4,731.6	6,095.4	2,229.2	1,291.3	2,724.2	62,028.3

(a) The 2019-20 GST outcome will be finalised following a Determination by the Treasurer.

(b) The Government paid Western Australia the balance of its \$1.2 billion 2019-20 top-up payment following a partial pre-payment of \$434 million in 2018-19.

Table 46: Total payments to the states by function, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
General public services	-	-	-	-	-	-	-	-	-
Public order and safety	96.4	72.5	64.5	37.5	25.0	10.3	13.1	56.5	375.8
Education	7,657.3	5,955.7	5,145.9	2,541.4	1,874.3	547.3	400.2	456.0	24,578.0
Health	8,084.9	6,672.5	5,395.0	2,615.0	1,631.7	557.1	484.4	348.0	25,788.6
Social security and welfare	650.7	252.9	558.7	208.6	78.0	24.2	49.0	23.6	1,845.9
Housing and community amenities	538.9	430.0	385.5	171.2	146.0	60.4	28.5	135.5	1,896.1
Recreation and culture	-	-	35.0	-	-	-	-	-	35.0
Fuel and energy	-	17.5	-	-	-	-	-	-	17.5
Agriculture, forestry and fishing	33.8	32.0	34.3	4.3	54.4	0.0	1.3	6.8	166.8
Mining, manufacturing and construction	-	-	-	-	-	-	-	-	-
Transport and communication	1,401.1	1,029.3	1,329.0	615.5	182.8	108.7	11.8	174.1	4,852.3
Other economic affairs	-	-	1.2	7.8	2.8	1.2	0.7	-	13.6
Other purposes(a)	18,882.6	16,244.9	13,173.3	5,167.5	6,352.6	2,276.3	1,347.5	2,780.5	66,225.2
Total payments to the states	37,345.8	30,707.2	26,122.4	11,368.7	10,347.4	3,585.6	2,336.4	3,981.1	125,794.6
<i>less</i> payments 'through' the states	4,380.7	3,487.6	2,931.5	1,485.1	1,163.8	288.8	248.3	241.1	14,227.0
<i>less</i> financial assistance for local governments	799.4	626.0	506.3	305.8	167.1	79.7	55.4	36.0	2,575.6
<i>less</i> payments direct to local governments	215.2	120.4	133.4	76.0	62.7	17.1	0.5	8.4	633.7
<i>equals</i> total payments to the states for own-purpose expenses	31,950.5	26,473.3	22,551.1	9,501.8	8,953.8	3,199.9	2,032.2	3,695.6	108,358.3

(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, 2019-20

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Advances									
Agriculture									
Natural disaster relief	-	-	2.6	-	-	0.4	-	-	3.1
Moreton Bay Precinct loan	-	-	92.4	-	-	-	-	-	92.4
Total Advances	-	-	95.1	-	-	0.4	-	-	95.5
Repayments									
Agriculture									
Drought Concessional Loans Scheme	-10.3	-25.6	-38.5	-	-2.4	-0.9	-	-	-77.6
Drought Recovery Loans Scheme	-1.0	-4.0	-0.5	-	-	-0.1	-	-	-5.6
Farm Finance Concessional Loans Scheme	-11.1	-4.9	-7.9	-3.3	-0.5	-4.8	-	-4.1	-36.6
Asbestos Removal in the ACT	-	-	-	-	-	-	-900.0	-	-900.0
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-0.1	-0.1
Housing									
Commonwealth-State Housing Agreement loans	-37.4	-	-10.3	-9.9	-3.2	-	-	-1.0	-61.7
Housing for service personnel	-2.0	-	-1.2	-0.3	-0.1	-	-	-	-3.6
Other housing	-	-	-	-	-	-	-8.3	-3.5	-11.7
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-	-	-	-	-	-	-	-	-
Natural disaster relief	-4.3	-	-13.2	-	-	-	-	-	-17.5
Other purposes									
ACT debt repayments	-	-	-	-	-	-	-0.6	-	-0.6
Loan Council — housing nominations	-10.7	-	-3.9	-6.8	-4.5	-	-	-3.6	-29.5
Total Repayments	-76.6	-34.5	-75.5	-20.3	-10.6	-5.8	-908.8	-12.2	-1,144.5

Table 47: Other financial flows — estimated advances, repayment of advances and interest payments, 2019-20 (continued)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Interest									
Agriculture									
Drought Concessional Loans Scheme	-2.9	-4.8	-3.8	-0.1	-0.3	-0.9	-	-	-12.7
Drought Recovery Loans Scheme	-0.5	-0.9	-0.4	-	-0.1	-0.1	-	-	-2.0
Farm Finance Concessional Loans Scheme	-0.7	-0.3	-0.3	0.2	..	-0.2	-	-0.1	-1.4
Asbestos Removal in the ACT	-	-	-	-	-	-	-8.2	-	-8.2
Environment									
Northern Territory — water and sewerage assistance	-	-	-	-	-	-	-	-0.5	-0.5
Housing									
Commonwealth-State Housing Agreement loans	-19.9	-	-5.8	-5.5	-1.7	-0.6	-	-1.0	-34.4
Housing for service personnel	-1.6	-	-0.9	-0.1	-0.1	-	-	-	-2.6
Other housing	-	-	-	-	-	-	-5.2	-2.2	-7.3
Loan to NSW to assist beneficiaries of the Asbestos Injuries Compensation Fund	-2.2	-	-	-	-	-	-	-	-2.2
Moreton Bay Precinct loan	-	-	-2.4	-	-	-	-	-	-2.4
Natural disaster relief	-0.1	-	-0.5	-	-	-	-	-	-0.6
Other purposes									
ACT debt repayments	-	-	-	-	-	-	-0.3	-	-0.3
Loan Council — housing nominations	-16.0	-	-5.7	-9.8	-7.0	-0.9	-	-5.6	-45.0
Total Interest	-44.0	-6.0	-19.9	-15.3	-9.1	-2.6	-13.6	-9.4	-119.9
Net Financial Flow	-120.6	-40.5	-0.3	-35.6	-19.7	-8.0	-922.5	-21.6	-1,168.9

Appendix A: Expenses by Function and Sub-function

Table A1 sets out Australian Government general government sector expenses by function and sub-function for 2019-20.

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

	2018-19 Outcome	2019-20 Estimate at 2019-20 MYEFO	2019-20 Outcome	Change on 2019-20 MYEFO
	\$m	\$m	\$m	\$m
General public services				
Legislative and executive affairs	1,644	1,355	1,366	11
Financial and fiscal affairs	7,729	7,275	7,302	26
Foreign affairs and economic aid	5,756	6,293	6,270	-24
General research	2,859	3,177	2,940	-237
General services	790	675	855	180
Government superannuation benefits	7,442	11,380	10,739	-641
Total general public services	26,221	30,157	29,472	-686
Defence	30,798	32,783	33,187	404
Public order and safety				
Courts and legal services	1,252	1,401	1,416	15
Other public order and safety	4,522	4,565	4,973	408
Total public order and safety	5,774	5,966	6,388	422
Education				
Higher education	9,589	9,721	9,652	-70
Vocational and other education	1,662	1,716	1,713	-3
Schools	19,708	21,088	22,305	1,217
<i>Non-government schools</i>	12,025	12,762	13,918	1,156
<i>Government schools</i>	7,682	8,326	8,387	61
School education — specific funding	669	751	722	-29
Student assistance	2,530	2,267	5,271	3,004
General administration	384	303	222	-81
Total education	34,542	35,846	39,885	4,039
Health				
Medical services and benefits	31,964	33,612	32,668	-944
Pharmaceutical benefits and services	13,302	13,828	14,175	347
Assistance to the States for public hospitals	21,738	22,535	22,560	26
Hospital services	1,327	1,271	1,248	-23
Health services	7,530	7,878	11,888	4,010
General administration	3,418	3,327	3,510	184
Aboriginal and Torres Strait Islander health	917	974	973	-1
Total health	80,196	83,425	87,023	3,599
Social security and welfare				
Assistance to the aged	66,701	69,975	71,855	1,880
Assistance to veterans and dependants	7,015	7,223	7,711	488
Assistance to people with disabilities	41,825	47,216	49,038	1,822
Assistance to families with children	35,765	36,777	38,604	1,827

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

	2018-19 Outcome	2019-20 Estimate at 2019-20 MYEFO	2019-20 Outcome	Change on 2019-20 MYEFO
	\$m	\$m	\$m	\$m
Social security and welfare (continued)				
Assistance to the unemployed and the sick	10,585	11,354	20,128	8,773
Other welfare programs	1,596	1,625	1,869	245
Assistance for Indigenous Australians nec	2,279	2,288	2,388	100
General administration	4,282	4,325	4,526	201
Total social security and welfare	170,046	180,782	196,119	15,336
Housing and community amenities				
Housing	2,819	2,847	2,752	-95
Urban and regional development	1,065	1,811	1,292	-519
Environment protection	1,131	1,057	1,288	231
Total housing and community amenities	5,014	5,715	5,332	-383
Recreation and culture				
Broadcasting	1,513	1,487	1,500	13
Arts and cultural heritage	1,409	1,451	1,439	-12
Sport and recreation	558	590	544	-46
National estate and parks	503	460	487	27
Total recreation and culture	3,982	3,989	3,971	-18
Fuel and energy	7,698	8,161	7,892	-269
Agriculture, forestry and fishing				
Wool industry	89	66	58	-8
Grains industry	135	205	79	-126
Dairy industry	51	50	55	5
Cattle, sheep and pig industry	235	242	230	-12
Fishing, horticulture and other agriculture	439	417	512	96
General assistance not allocated to specific industries	44	35	39	4
Rural assistance	245	369	426	56
Natural resources development	559	795	431	-364
General administration	815	846	754	-92
Total agriculture, forestry and fishing	2,611	3,025	2,584	-441
Mining, manufacturing and construction	2,505	3,073	2,819	-254
Transport and communication				
Communication	964	859	679	-181
Rail transport	1,093	937	555	-382
Air transport	299	385	935	550
Road transport	5,125	5,841	4,499	-1,342
Sea transport	445	447	438	-9
Other transport and communication	200	201	216	14
Total transport and communication	8,125	8,671	7,321	-1,350

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

	2018-19 Outcome	2019-20 Estimate at 2019-20 MYEFO	2019-20 Outcome	Change on 2019-20 MYEFO
	\$m	\$m	\$m	\$m
Other economic affairs				
Tourism and area promotion	174	173	165	-8
Total labour and employment affairs	3,754	3,587	3,810	223
<i>Vocational and industry training</i>	1,130	1,049	1,083	34
<i>Labour market assistance to job seekers and industry</i>	2,000	1,861	2,024	163
<i>Industrial relations</i>	624	676	702	26
Immigration	3,404	3,800	3,488	-312
Other economic affairs nec	2,382	2,690	58,030	55,340
Total other economic affairs	9,714	10,250	65,494	55,244
Other purposes				
Public debt interest	17,100	16,746	16,923	178
<i>Interest on Commonwealth Government's behalf</i>	17,100	16,746	16,923	178
Nominal superannuation interest	9,736	7,715	7,673	-42
General purpose inter-government transactions	69,186	68,547	64,603	-3,944
<i>General revenue assistance — states and territories</i>	66,641	67,285	62,027	-5,258
<i>Local government assistance</i>	2,545	1,262	2,576	1,314
Natural disaster relief	1,405	38	1,863	1,825
Contingency reserve	0	-1,707	0	1,707
Total other purposes	97,427	91,338	91,062	-276
Total expenses	484,653	503,180	578,549	75,369

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 2019-20 onwards, as a result of the implementation of the accounting standard AASB 16 *Leases* the distinction between operating and finance leases for lessees has been removed. This has a number of implications for the budget aggregates, in particular net debt and net financial worth. Also, to maintain consistency in the measurement of the underlying cash balance, the principal payments on lease liabilities which are recognised as cash flows from financing activities have been included in the calculation following the implementation of AASB 16.

- 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.
- Most recent accounting classification changes that require revisions to the historical series have been back-cast (where applicable) to 1998-99, ensuring that data are consistent across the accrual period from 1998-99 onwards. However, because of data limitations, these changes have not been back-cast to earlier years.
- Prior to 1999-2000, Australian Government general government sector debt instruments are valued at historic cost, whereas from 1999-2000 onwards they are valued at market prices (consistent with accrual GFS standards). This affects net debt and net interest payments.
- Cash data up to and including 1997-98 are calculated under a cash accounting framework, while cash data from 1998-99 onwards are derived from an accrual accounting framework.¹ Although the major methodological differences associated with the move to the accrual framework have been eliminated through back-casting, comparisons across the break may still be affected by changes to some data sources and collection methodologies.
- Adjustments in the coverage of agencies 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

¹ 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.

Appendix B: Historical Australian Government Data

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.

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

	Receipts(b)		Payments(c)			Net Future Fund earnings	Underlying cash balance(d)	
	\$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

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

	Receipts(b)		Payments(c)			Net Future Fund earnings	Underlying cash balance(d)	
	\$m	Per cent	\$m	Per cent real	Per cent	\$m	\$m	Per cent
		of GDP		growth(e)	of GDP			of GDP
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	24.5	7,878	-690	0.0
2019-20	469,398	23.7	549,634	13.4	27.7	5,036	-85,272	-4.3

(a) Data have been revised in the 2019-20 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 cash flows from financing activities for leases.

(d) Between 2005-06 and 2019-20, 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^(a)

			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	
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^(a) (continued)

			Net cash flows from investments in financial assets for policy purposes(b)		Headline cash balance(c)	
	Receipts	Payments		Per cent of GDP		Per cent of GDP
	\$m	\$m	\$m		\$m	
2010-11	302,024	346,102	-7,028	-0.5	-51,106	-3.6
2011-12	329,874	371,032	-5,866	-0.4	-47,023	-3.1
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
2019-20	469,398	549,634	-13,632	-0.7	-93,868	-4.7

(a) Data have been revised in the 2019-20 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^(a)

	Taxation receipts		Non-taxation receipts		Total receipts(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1970-71	7,193	17.8	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^(a) (continued)

	Taxation receipts		Non-taxation receipts		Total receipts ^(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2010-11	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
2019-20	431,775	21.8	37,623	1.9	469,398	23.7

(a) Data have been revised in the 2019-20 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^(a)

	Net debt(b)		Net interest payments(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP
1970-71	344	0.9	-189	-0.5
1971-72	-496	-1.1	-245	-0.6
1972-73	-790	-1.6	-252	-0.5
1973-74	-1,851	-3.1	-286	-0.5
1974-75	-1,901	-2.7	-242	-0.3
1975-76	-341	-0.4	-330	-0.4
1976-77	898	0.9	-62	-0.1
1977-78	2,896	2.8	4	0.0
1978-79	4,983	4.2	254	0.2
1979-80	6,244	4.6	440	0.3
1980-81	6,356	4.2	620	0.4
1981-82	5,919	3.4	680	0.4
1982-83	9,151	4.8	896	0.5
1983-84	16,015	7.5	1,621	0.8
1984-85	21,896	9.3	2,813	1.2
1985-86	26,889	10.3	3,952	1.5
1986-87	29,136	10.2	4,762	1.7
1987-88	27,344	8.4	4,503	1.4
1988-89	21,981	6.0	4,475	1.2
1989-90	16,123	4.0	4,549	1.1
1990-91	16,915	4.1	3,636	0.9
1991-92	31,041	7.3	3,810	0.9
1992-93	55,218	12.5	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^(a) (continued)

	Net debt(b)		Net interest payments(c)	
	\$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
2019-20	491,217	24.8	13,280	0.7

(a) Data have been revised in the 2019-20 Final Budget Outcome to improve accuracy and comparability through time.

(b) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (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)^(a) on issue and interest paid^(b)

	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)^(a) on issue and interest paid^(b) (continued)

	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
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	25.2	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
2019-20	684,298	34.5	684,292	34.5	16,524	0.8

(a) Referred to as Commonwealth Government Securities prior to the 2019-20 Budget.

(b) Data have been revised in the 2019-20 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.

(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. From 2019-20 onwards, interest paid includes impacts from the implementation of AASB 16 Leases.

Table B6: Australian Government general government sector revenue, expenses, net operating balance, net capital investment and fiscal balance^(a)

	Revenue		Expenses		Net operating balance(b)		Net capital investment		Fiscal balance(c)	
	\$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
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
2019-20	486,278	24.5	578,549	29.2	-92,271	-4.7	4,005	0.2	-96,277	-4.9

(a) Data have been revised in the 2019-20 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.

Table B7: Australian Government general government sector net worth and net financial worth^(a)

	Net worth(b)		Net financial worth(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP
1999-00	-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	-35.6
2019-20	-664,892	-33.6	-840,557	-42.4

(a) Data have been revised in the 2019-20 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^(a)

	Taxation revenue		Non-taxation revenue		Total revenue	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1999-00	153,409	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	427,183	23.1	29,097	1.6	456,280	24.7
2018-19	456,072	23.4	37,274	1.9	493,346	25.3
2019-20	447,526	22.6	38,752	2.0	486,278	24.5

(a) Data have been revised in the 2019-20 Final Budget Outcome to improve accuracy and comparability through time.

Table B9: Australian Government cash receipts, payments and surplus by institutional sector (\$m)^(a)

	General government			Public non-financial corporations			Non-financial public sector		
	Underlying cash			Receipts(b)	Payments(e)	Cash surplus	Receipts(b)	Payments(e)	Cash surplus
	Receipts(b)	Payments(c)	balance(d)						
1988-89	90,748	85,326	5,421	4,177	6,035	257	93,923	90,312	5,678
1989-90	98,625	92,684	5,942	3,926	11,322	-5,261	101,495	102,883	681
1990-91	100,227	100,665	-438	4,804	9,351	-2,139	103,837	108,808	-2,577
1991-92	95,840	108,472	-12,631	3,899	7,713	101	97,937	114,369	-12,530
1992-93	97,633	115,751	-18,118	4,385	7,819	-196	100,512	122,042	-18,314
1993-94	103,824	122,009	-18,185	5,178	6,476	1,482	106,747	126,214	-16,703
1994-95	113,458	127,619	-14,160	5,262	7,318	1,956	116,751	132,965	-12,204
1995-96	124,429	135,538	-11,109	4,927	8,190	-527	126,593	140,963	-11,636
1996-97	133,592	139,689	-6,099	4,782	7,373	473	135,259	143,948	-5,626
1997-98	140,736	140,587	149	6,238	7,923	1,119	144,517	145,985	1,268
1998-99	152,063	148,175	3,889	na	na	-353	na	na	3,536
1999-00	166,199	153,192	13,007	na	na	-2,594	na	na	10,413
2000-01	182,996	177,123	5,872	na	na	391	na	na	6,323
2001-02	187,588	188,655	-1,067	na	na	1,210	na	na	65
2002-03	204,613	197,243	7,370	27,386	26,105	1,280	na	na	8,651
2003-04	217,775	209,785	7,990	27,718	26,142	1,575	238,236	228,664	9,569
2004-05	235,984	222,407	13,577	29,621	28,071	1,550	257,946	242,805	15,141
2005-06	255,943	240,136	15,757	30,875	31,874	-999	278,254	263,421	14,833
2006-07	272,637	253,321	17,190	16,882	18,641	-1,759	285,336	267,719	17,625
2007-08	294,917	271,843	19,754	7,758	8,231	-472	300,503	277,754	22,800
2008-09	292,600	316,046	-27,013	7,987	8,960	-973	297,421	321,275	-23,786
2009-10	284,662	336,900	-54,494	8,419	9,341	-922	290,681	343,816	-52,879

Table B9: Australian Government cash receipts, payments and surplus by institutional sector (\$m)^(a) (continued)

	General government			Public non-financial corporations			Non-financial public sector		
	Receipts(b)	Payments(c)	Underlying cash balance(d)	Receipts(b)	Payments(e)	Cash surplus	Receipts(b)	Payments(e)	Cash surplus
2010-11	302,024	346,102	-47,463	8,558	9,733	-1,175	308,258	353,452	-44,911
2011-12	329,874	371,032	-43,360	8,845	10,847	-2,002	336,122	379,266	-42,763
2012-13	351,052	367,204	-18,834	9,766	13,061	-3,294	358,088	377,221	-19,133
2013-14	360,322	406,430	-48,456	11,042	14,246	-3,204	368,521	417,248	-48,726
2014-15	378,301	412,079	-37,867	11,256	15,136	-3,880	386,643	424,229	-37,586
2015-16	386,924	423,328	-39,606	11,606	17,753	-6,147	395,842	438,228	-42,386
2016-17	409,868	439,375	-33,151	12,406	19,543	-7,138	419,433	456,020	-36,587
2017-18	446,905	452,742	-10,141	14,195	22,348	-8,153	457,604	471,451	-13,846
2018-19	485,286	478,098	-690	17,909	26,608	-8,699	498,767	500,276	-1,510
2019-20	469,398	549,634	-85,272	18,824	28,244	-9,419	483,362	573,018	-89,656

(a) Data have been revised in the 2019-20 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 cash flows from financing activities for leases.

(d) Between 2005-06 and 2019-20, 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) Payments in the public non-financial corporations and non-financial public sectors are equal to payments for operating activities, purchases of non-financial assets, distributions paid and net cash flows from financing activities for leases.

na Data not available.

Table B10: Australian Government accrual revenue, expenses and fiscal balance by institutional sector (\$m)^(a)

	General government			Public non-financial corporations			Non-financial public sector		
	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)
1996-97	141,688	145,821	-4,223	27,431	26,015	-331	na	na	-4,554
1997-98	146,820	148,652	-1,979	29,618	26,999	2,360	na	na	387
1998-99	152,106	146,772	3,901	27,687	26,088	-816	175,891	168,958	3,085
1999-00	167,304	155,558	11,815	25,485	23,542	1,062	188,841	175,152	11,721
2000-01	186,106	180,090	6,007	25,869	24,762	-826	207,367	200,246	5,181
2001-02	190,432	192,984	-2,935	26,638	25,341	793	212,462	213,718	-2,142
2002-03	206,778	201,113	5,377	24,339	22,916	1,975	225,989	218,944	7,311
2003-04	222,042	215,235	6,148	25,449	23,444	2,143	241,746	232,934	8,291
2004-05	242,354	229,092	12,228	26,965	25,191	1,473	263,434	248,398	13,700
2005-06	260,569	241,665	16,406	28,143	29,531	-2,442	281,927	264,410	13,964
2006-07	277,895	258,761	16,801	15,443	16,360	-1,763	289,551	271,335	15,038
2007-08	303,402	279,862	20,948	6,854	6,686	-584	308,888	285,179	20,364
2008-09	298,508	324,387	-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
2019-20	486,278	578,549	-96,277	17,029	23,174	-10,096	500,961	599,083	-106,069

(a) Data have been revised in the 2019-20 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^{(a)(b)}

	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

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^{(a)(b)} (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	14,900	1,028	15,929	16,137	-361	12,188	468
2018-19	15,497	1,268	16,765	16,517	-24	12,905	523
2019-20	14,551	1,268	15,819	18,522	-2,874	16,554	448

(a) Data have been revised in the 2019-20 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.

