



1999–2000

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GOVERNMENT FINANCIAL ESTIMATES

AUSTRALIA

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- For further information about these and related statistics, contact Donna Nicholson or Frances Pollard on Canberra 02 6252 5069, or Client Services in any ABS office as shown on the back cover of this publication.

NOTES

ABOUT THIS PUBLICATION

This publication presents government finance statistics for each jurisdiction for the general government (GG) sector as follows:

- Operating Statements for 1998–99 and 1999–2000;
- Cash Flow Statements for the years 1994–95 to 1999–2000; and
- Balance Sheets:
 - partial balance sheets as at 30 June 1995 to 30 June 1998
 - full balance sheet as at 30 June 1999.



ABOUT THIS ISSUE

As foreshadowed in *Information Paper: Accruals-based Government Finance Statistics* (Cat. no. 5517.0) published on 13 March 2000, this is the first presentation of Government Finance Statistics (GFS) on an accrual accounting basis and the data published are *experimental estimates* only. Jurisdictions are at different stages in implementing accrual accounting in their public accounts and budget management systems and in providing accrual data to the ABS in a format suitable for GFS purposes. Consequently, the ABS is unable at this time to release the full range of data that are expected to be available in future GFS publications and special data services. This issue contains data for the general government sector only. Some data for the public non-financial corporations (PNFC) and public financial corporations (PFC) sub-sectors and for the total public sector are available on request.



CHANGES IN THIS ISSUE

This publication presents, for the first time, GFS on an accrual accounting basis with the accrual based time series commencing with 1998–99. For further information regarding the implementation of accrual accounting, refer to paragraphs 3–8 of the Explanatory Notes.



TERMINOLOGY

The consolidated total of general government, PNFC and PFC sectors is referred to as total public sector. Wherever the term 'State' is used, this term includes the two Territories. Therefore, 'State and local' refers to 'State, Territory and local' and 'State' refers to 'State and Territory'.

W. McLennan
Australian Statistician

INTRODUCTION

This publication contains the first presentation of GFS on an accrual accounting basis. Due to jurisdictions being at different stages in implementing accrual accounting in their public accounts and budget management systems and problems experienced in providing accrual data to the Australian Bureau of Statistics (ABS) in a format suitable for GFS purposes, the statistics contained in this publication should be regarded as *experimental estimates*. Further, the ABS is unable at this time to release the full range of accrual GFS data.

Due to the increased number of tables produced in the accrual accounting framework, only tables for the general government sector are included in this issue. Some data for the PNFC and PFC subsectors and the total public sector are available as a Special Data Service (SDS).

In the future, the ABS expects to release the full range of accrual GFS data. These data will be presented in the format of operating statements, cash flow statements, balance sheets, statement of stocks and flows as well as reconciliations (see Appendix 1 on page 51) between GFS, Australian System of National Accounts (ASNA) and accounting statements. It is intended that all statements will be available for the following sectors for each jurisdiction as well as for total States, total State and Local, total Local, total Universities and total Australia:

- General government (GG)
- Public non-financial corporations (PNFC)
- Public financial corporations (PFC)
- Non-financial public sector (NFPS, i.e. consolidated GG and PNFC)
- Total public sector (i.e. the consolidated GG, PNFC and PFC)

Total universities and total local are all classified to the GG sector.

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(a) See Introduction on page 3. All statistics contained in this publication are regarded as *experimental estimates*.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	180 605	186 964
Sales of goods and services	18 995	19 513
Interest income	3 189	2 886
Other	19 902	19 572
<i>Total</i>	222 692	228 935
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	9 927	10 088
Employee expenses	58 672	58 377
Other operating expenses	59 167	64 378
<i>Total</i>	127 766	132 843
Nominal superannuation interest expenses(a)	4 058	5 039
Other interest expenses	11 325	10 288
Other property expenses	5	4
Current transfers		
Grant expenses	13 154	12 169
Subsidy expenses	7 330	7 457
Other current transfers	48 390	51 203
Capital transfers		
Grant expenses	2 286	2 443
Other capital transfers	697	322
<i>Total expenses(a)</i>	215 012	221 769
<i>equals</i>		
GFS Net Operating Balance(a)	7 680	7 166
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	14 253	15 137
<i>less</i> Depreciation	9 927	10 088
<i>plus</i> Change in inventories	-108	148
<i>plus</i> Other transactions in non-financial assets	578	33
<i>Total</i>	4 796	5 230
<i>equals</i>		
GFS Net Lending(+)/Borrowing(-)(a)	2 884	1 935

(a) Excludes data for nominal superannuation interest expenses for Victoria and the Australian Capital Territory.

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	136 162	149 220	160 562	168 675	177 275	183 774
Receipts from sales of goods and services	14 213	14 413	15 444	18 042	18 297	18 688
Grants and subsidies received	31	12	249	265	288	382
Other receipts	11 614	14 465	16 338	16 244	23 559	22 659
<i>Total</i>	162 020	178 109	192 592	203 226	219 419	225 504
Cash payments for operating activities						
Payments for goods and services	-92 163	-97 504	-102 057	-109 770	-97 812	-95 036
Grants and subsidies paid	-17 236	-18 097	-19 732	-19 572	-20 831	-22 021
Interest paid	-13 103	-14 381	-13 909	-12 647	-11 531	-10 675
Other payments	-42 083	-44 972	-47 494	-47 719	-75 000	-80 335
<i>Total</i>	-164 585	-174 954	-183 192	-189 708	-205 174	-208 067
<i>Net cash flows from operating activities</i>	-2 565	3 156	9 400	13 518	14 245	17 437
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	2 954	11 141	2 977	4 628	2 697	2 717
Purchases of new non-financial assets	-14 533	-16 661	-15 660	-16 643	-17 426	-17 696
Purchases of secondhand non-financial assets	-555	-6 673	-310	-20	19	-11
<i>Total</i>	-12 134	-12 193	-12 994	-12 035	-14 711	-14 990
Net cash flows from investments in financial assets for policy purposes	1 240	9 252	10 818	19 130	8 804	10 367
Net cash flows from investments in financial assets for liquidity purposes	-1 275	-1 834	-2 607	-3 232	-396	-1 195
Net cash flows from financing activities						
Advances received (net)	-2	-6	-2	-1	-174	93
Borrowing (net)	13 485	-1 708	-5 447	-20 425	-12 226	-905
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	258	-14
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	6 857	-13 686
<i>Total</i>	14 967	2 747	-3 255	-18 665	-5 286	-14 512
Net Increase(+)/Decrease(-) in Cash Held	233	1 127	1 362	-1 284	2 656	-2 894
SURPLUS(+)/DEFICIT(-)(a)						
Net cash flows from operating activities and net cash flows from investments in non-financial assets	-14 698	-9 037	-3 593	1 483	-465	2 447
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	31	41
Surplus(+)/Deficit(-)	-14 698	-9 037	-3 593	1 483	-435	2 487

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

AT 30 JUNE					
	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	11 749	12 887	13 589	10 819	10 715
Advances paid	13 264	12 445	12 255	11 174	15 532
Investments, loans and placements	20 751	23 967	24 641	28 954	33 376
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	15 993
Equity	n.a.	n.a.	n.a.	n.a.	134 908
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>210 524</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	370 993
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	4 833
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>375 827</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>586 350</i>
Liabilities					
Deposits held	2 846	2 783	2 337	2 269	1 839
Advances received	—	—	—	—	—
Borrowing	160 890	164 568	161 382	143 800	140 311
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	129 023
Other provisions	n.a.	n.a.	n.a.	n.a.	5 018
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	24 455
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>300 647</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	281 523
Net debt(a)	117 973	118 054	113 236	95 122	82 528

(a) *Equals* deposits held, advances received and borrowing *less* cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	41 451	41 771
Current grants and subsidies	31 899	33 048
Sales of goods and services	13 010	13 470
Interest income	2 708	2 253
Other	14 674	11 462
<i>Total</i>	<i>103 744</i>	<i>102 004</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	7 095	6 980
Employee expenses	39 555	40 531
Other operating expenses	31 578	32 374
<i>Total</i>	<i>78 228</i>	<i>79 885</i>
Nominal superannuation interest expenses(a)	1 651	1 647
Other interest expenses	4 015	3 928
Other property expenses	5	4
Current transfers		
Grant expenses	7 179	7 458
Subsidy expenses	3 816	3 669
Other current transfers	963	962
Capital transfers		
Grant expenses	2 199	2 385
Other capital transfers	331	121
<i>Total expenses(a)</i>	<i>98 386</i>	<i>100 060</i>
<i>equals</i>		
GFS Net Operating Balance(a)	5 358	1 944
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	9 626	10 582
less Depreciation	7 095	6 980
plus Change in inventories	18	34
plus Other transactions in non-financial assets	610	227
<i>Total</i>	<i>3 160</i>	<i>3 862</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)(a)	2 198	-1 918

(a) Excludes data for nominal superannuation interest expenses for Victoria and the Australian Capital Territory.

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	31 503	33 898	36 381	38 008	41 923	42 148
Receipts from sales of goods and services	9 286	9 435	9 943	11 672	13 033	13 642
Grants and subsidies received	29 500	30 843	31 459	31 984	33 880	35 397
Other receipts	7 749	9 467	11 197	11 964	14 187	10 905
<i>Total</i>	78 037	83 643	88 980	93 628	103 022	102 093
Cash payments for operating activities						
Payments for goods and services	-53 177	-56 508	-59 903	-64 421	-68 553	-64 183
Grants and subsidies paid	-10 532	-10 734	-11 676	-12 967	-12 429	-13 742
Interest paid	-6 400	-6 124	-5 096	-4 824	-4 175	-3 797
Other payments	-418	-515	-729	-615	-11 110	-10 495
<i>Total</i>	-70 527	-73 881	-77 403	-82 827	-96 268	-92 218
<i>Net cash flows from operating activities</i>	7 510	9 762	11 577	10 801	6 754	9 875
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	2 067	10 398	2 048	2 478	1 973	1 852
Purchases of new non-financial assets	-9 208	-11 372	-10 475	-11 235	-12 108	-12 469
Purchases of secondhand non-financial assets	-452	-6 610	-266	25	19	-11
<i>Total</i>	-7 592	-7 585	-8 694	-8 733	-10 116	-10 628
Net cash flows from investments in financial assets for policy purposes	1 718	8 120	4 472	5 980	4 838	1 646
Net cash flows from investments in financial assets for liquidity purposes	-803	-1 021	-1 832	-2 266	217	-793
Net cash flows from financing activities						
Advances received (net)	-1 990	-4 124	-1 006	-1 961	-1 440	-397
Borrowing (net)	643	-5 881	-4 686	-2 160	-512	-915
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	139	-20
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	1 799	799
<i>Total</i>	-123	-7 659	-3 256	-4 072	-14	-533
Net Increase(+)/Decrease(-) in Cash Held	710	1 617	2 266	1 710	1 679	-434

SURPLUS(+)/DEFICIT(-)(a)

Net cash flows from operating activities and net cash flows from investments in non-financial assets	-82	2 177	2 883	2 068	-3 362	-753
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	31	41
Surplus(+)/Deficit(-)	-82	2 177	2 883	2 068	-3 331	-712

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

AT 30 JUNE					
	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	9 051	10 632	9 311	8 894	8 317
Advances paid	8 750	7 752	7 616	5 987	5 952
Investments, loans and placements	16 289	19 021	20 515	23 929	21 842
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	9 547
Equity	n.a.	n.a.	n.a.	n.a.	113 392
Total	n.a.	n.a.	n.a.	n.a.	159 050
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	304 645
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	3 198
Total	n.a.	n.a.	n.a.	n.a.	307 844
Total	n.a.	n.a.	n.a.	n.a.	466 894
Liabilities					
Deposits held	2 460	2 298	1 773	1 611	1 235
Advances received	13 696	9 703	9 695	7 427	5 919
Borrowing	54 974	50 385	45 732	45 707	44 464
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	50 664
Other provisions	n.a.	n.a.	n.a.	n.a.	661
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	13 742
Total	n.a.	n.a.	n.a.	n.a.	116 686
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	350 209
Net debt(a)	37 039	24 981	19 757	15 937	15 508

(a) Equals deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	35 218	35 312
Current grants and subsidies	31 630	32 770
Sales of goods and services	8 980	9 329
Interest income	2 360	1 897
Other	13 730	10 493
<i>Total</i>	<i>91 917</i>	<i>89 802</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	4 378	4 218
Employee expenses	36 315	37 192
Other operating expenses	24 874	25 458
<i>Total</i>	<i>65 567</i>	<i>66 868</i>
Nominal superannuation interest expenses(a)	1 651	1 647
Other interest expenses	3 402	3 299
Other property expenses	5	4
Current transfers		
Grant expenses	8 539	9 098
Subsidy expenses	3 842	3 687
Other current transfers	960	959
Capital transfers		
Grants to local governments	576	570
Other capital transfers	2 469	2 442
<i>Total expenses(a)</i>	<i>87 011</i>	<i>88 575</i>
<i>equals</i>		
GFS Net Operating Balance(a)	4 907	1 226
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	6 551	7 352
<i>less</i> Depreciation	4 378	4 218
<i>plus</i> Change in inventories	17	33
<i>plus</i> Other transactions in non-financial assets	181	-246
<i>Total</i>	<i>2 371</i>	<i>2 920</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)(a)	2 536	-1 694

(a) Excludes data for nominal superannuation interest expenses for Victoria and the Australian Capital Territory.

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	26 645	28 764	30 980	32 326	35 774	35 792
Receipts from sales of goods and services	6 036	6 761	7 085	8 569	8 776	9 260
Grants and subsidies received	29 239	30 555	31 194	31 786	33 734	35 256
Other receipts	7 058	8 249	10 158	10 896	12 882	9 565
<i>Total</i>	68 978	74 329	79 417	83 578	91 166	89 874
Cash payments for operating activities						
Payments for goods and services	-45 610	-48 334	-51 359	-55 633	-59 101	-54 445
Grants and subsidies paid	-12 120	-20 501	-13 494	-14 825	-13 825	-15 056
Interest paid	-6 077	-5 759	-4 758	-4 536	-3 562	-3 172
Other payments	-413	-508	-725	-609	-10 677	-10 019
<i>Total</i>	-64 220	-75 101	-70 336	-75 604	-87 165	-82 692
<i>Net cash flows from operating activities</i>	4 758	-772	9 081	7 974	4 001	7 182
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	1 552	9 788	1 409	1 832	1 284	1 145
Purchases of new non-financial assets	-6 314	-6 530	-7 193	-7 747	-8 112	-8 262
Purchases of secondhand non-financial assets	-447	-425	-264	27	23	-6
<i>Total</i>	-5 209	2 832	-6 047	-5 888	-6 805	-7 124
Net cash flows from investments in financial assets for policy purposes	1 579	7 467	4 236	5 745	4 842	1 648
Net cash flows from investments in financial assets for liquidity purposes	-841	-763	-1 539	-2 221	314	-705
Net cash flows from financing activities						
Advances received (net)	-2 002	-4 120	-1 004	-1 958	-1 437	-394
Borrowing (net)	868	-5 486	-4 628	-2 186	-553	-965
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	159	2
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	758	-493
<i>Total</i>	-515	-8 448	-5 502	-4 197	-1 072	-1 850
Net Increase(+)/Decrease(-) in Cash Held	-228	316	230	1 413	1 279	-849

SURPLUS(+)/DEFICIT(-)(a)

Net cash flows from operating activities and net cash flows from investments in non-financial assets	-451	2 060	3 034	2 086	-2 804	58
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	32	41
Surplus(+)/Deficit(-)	-451	2 060	3 034	2 086	-2 773	98

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

	AT 30 JUNE				
	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	7 506	8 569	7 277	6 902	6 551
Advances paid	8 743	7 728	7 572	5 949	5 945
Investments, loans and placements	13 472	15 330	17 096	20 545	17 945
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	8 384
Equity	n.a.	n.a.	n.a.	n.a.	113 218
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>152 042</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	184 879
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	1 986
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>186 865</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>338 907</i>
Liabilities					
Deposits held	2 440	2 044	1 431	1 270	1 078
Advances received	13 353	9 654	9 636	7 389	5 887
Borrowing	49 393	44 648	39 983	39 812	38 727
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	49 386
Other provisions	n.a.	n.a.	n.a.	n.a.	489
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	12 268
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>107 835</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	231 074
Net debt(a)	35 464	24 719	19 106	15 075	15 251

(a) *Equals* deposits held, advances received and borrowing *less* cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	139 380	145 388
Current grants and subsidies	35	34
Sales of goods and services	3 665	3 421
Interest income from public non-financial corporations	93	23
Interest income from public financial corporations	—	—
Interest income from other	642	784
Dividend income	5 247	6 777
Other	2 294	3 726
<i>Total</i>	<i>151 355</i>	<i>160 153</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	2 308	2 575
Employee expenses	14 942	13 619
Other operating expenses	25 214	29 599
<i>Total</i>	<i>42 464</i>	<i>45 793</i>
Nominal superannuation interest expenses	2 407	3 391
Other interest expenses	7 620	6 589
Other property expenses	—	—
Current transfers		
Grant expenses to state governments	30 075	32 826
Grant expenses to the private sector	6 097	4 754
Grant expenses to universities	4 237	3 986
Grant expenses to local governments	226	222
Subsidy expenses to public sector corporations	240	184
Other subsidy expenses	3 268	3 598
Other current transfers	47 633	50 398
Capital transfers		
Grant expenses to public non-financial corporations	—	—
Grant expenses to public financial corporations	—	—
Grant expenses to other levels of government	2 262	2 371
Other capital transfers	479	288
<i>Total expenses</i>	<i>147 008</i>	<i>154 401</i>
<i>equals</i>		
GFS Net Operating Balance	4 347	5 752
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	3 936	3 763
<i>less</i> Depreciation	2 308	2 575
<i>plus</i> Change in inventories	-127	116
<i>plus</i> Other transactions in non-financial assets	-58	-228
<i>Total</i>	<i>1 443</i>	<i>1 077</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)	2 904	4 676

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	104 921	115 700	124 559	130 984	137 733	143 997
Receipts from sales of goods and services	2 919	2 641	2 849	3 249	4 165	3 706
Interest received from public non-financial corporations	159	130	91	77	—	—
Interest received from public financial corporations	2	5	—	—	—	—
Interest received from other	1 691	1 329	1 073	1 097	651	893
Other receipts	2 978	3 967	4 217	3 286	7 666	9 694
<i>Total</i>	112 670	123 771	132 790	138 693	150 215	158 290
Cash payments for operating activities						
Payments for goods and services	-33 102	-34 805	-35 434	-37 761	-23 591	-25 094
Grants and subsidies paid	-40 370	-42 522	-43 632	-42 766	-45 301	-47 704
Interest paid	-8 162	-9 276	-9 613	-8 558	-7 653	-7 067
Other payments	-41 697	-44 514	-46 801	-47 004	-67 074	-71 686
<i>Total</i>	-123 332	-131 118	-135 480	-136 089	-143 619	-151 551
<i>Net cash flows from operating activities</i>	-10 661	-7 347	-2 690	2 603	6 596	6 739
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	814	680	828	2 063	701	892
Purchases of new non-financial assets	-4 408	-4 385	-4 203	-4 483	-4 579	-4 427
Purchases of secondhand non-financial assets	-85	-61	-28	-39	—	—
<i>Total</i>	-3 679	-3 766	-3 404	-2 459	-3 878	-3 535
Net cash flows from investments in financial assets for policy purposes	1 537	5 235	7 341	15 208	5 511	9 452
Net cash flows from investments in financial assets for liquidity purposes	-517	-589	-638	-729	-447	-320
Net cash flows from financing activities						
Advances received (net)	—	—	—	—	—	—
Borrowing (net)	12 775	4 156	-776	-18 300	-11 752	-15 902
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	122	—
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	4 739	1 162
<i>Total</i>	12 981	5 805	-1 786	-17 789	-6 892	-14 740
Net Increase(+)/Decrease(-) in Cash Held	-338	-662	-1 176	-3 165	890	-2 405
SURPLUS(+)/DEFICIT(-)(a)						
Net cash flows from operating activities and net cash flows from investments in non-financial assets	-14 340	-11 113	-6 094	144	2 718	3 203
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	—	—
Surplus(+)/Deficit(-)	-14 340	-11 113	-6 094	144	2 718	3 203

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

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	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	2 374	1 820	3 822	1 421	1 875
Advances paid	11 606	10 905	10 491	8 938	16 065
Investments, loans and placements	10 030	6 817	5 525	6 154	8 178
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	5 706
Equity	n.a.	n.a.	n.a.	n.a.	21 144
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>52 969</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	51 905
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	1 615
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>53 520</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>106 489</i>
Liabilities					
Deposits held	290	401	465	554	559
Advances received	—	—	—	—	—
Borrowing	107 212	114 973	115 655	98 894	96 129
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	74 710
Other provisions	n.a.	n.a.	n.a.	n.a.	4 340
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	11 302
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>187 041</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	-80 551
Net debt(a)	83 492	95 831	96 281	82 935	70 570

(a) *Equals* deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	14 145	13 949
Current grants and subsidies	9 383	9 986
Sales of goods and services	2 658	2 679
Interest income	419	387
Other	3 481	3 207
<i>Total</i>	30 085	30 206
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	1 108	878
Employee expenses	12 378	12 363
Other operating expenses	8 167	8 153
<i>Total</i>	21 652	21 394
Nominal superannuation interest expenses	553	657
Other interest expenses	1 331	1 263
Other property expenses	—	—
Current transfers		
Grant expenses	2 592	2 819
Subsidy expenses	1 248	1 132
Other current transfers	447	408
Capital transfers		
Grants to local governments	209	190
Other capital transfers	918	977
<i>Total expenses</i>	28 952	28 839
<i>equals</i>		
GFS Net Operating Balance	1 134	1 367
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	2 095	2 342
<i>less</i> Depreciation	1 108	878
<i>plus</i> Change in inventories	12	15
<i>plus</i> Other transactions in non-financial assets	-119	-189
<i>Total</i>	881	1 290
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)	253	77

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	10 080	10 744	11 798	12 907	14 218	14 017
Receipts from sales of goods and services	1 706	1 892	1 982	2 073	2 647	2 698
Grants and subsidies received	8 865	9 251	9 613	9 702	10 314	10 907
Other receipts	2 174	2 352	2 824	2 648	2 654	2 379
Total	22 825	24 238	26 216	27 330	29 833	30 000
Cash payments for operating activities						
Payments for goods and services	-15 484	-16 400	-17 677	-18 593	-23 794	-19 897
Grants and subsidies paid	-4 398	-12 379	-4 502	-4 853	-5 023	-5 208
Interest paid	-1 721	-1 732	-1 430	-1 545	-1 423	-1 270
Other payments	-141	-155	-192	-327	-294	-262
Total	-21 745	-30 666	-23 801	-25 318	-30 534	-26 637
Net cash flows from operating activities	1 080	-6 428	2 415	2 012	-701	3 363
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	710	8 449	373	417	506	534
Purchases of new non-financial assets	-2 170	-2 066	-2 506	-2 522	-2 481	-2 687
Purchases of secondhand non-financial assets	-215	-127	-195	-3	—	—
Total	-1 675	6 256	-2 328	-2 108	-1 975	-2 153
Net cash flows from investments in financial assets for policy purposes	527	1 775	522	1 136	-2	-71
Net cash flows from investments in financial assets for liquidity purposes	-50	-42	-395	-138	-169	-84
Net cash flows from financing activities						
Advances received (net)	-673	-388	-458	-1 541	-76	-167
Borrowing (net)	859	-887	-122	767	2 756	-1 528
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	5	—
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	-1	-4
Total	23	-1 342	-807	-1 048	2 684	-1 699
Net Increase(+)/Decrease(-) in Cash Held	-95	219	-593	-145	-163	-645

SURPLUS(+)/DEFICIT(-)(a)

Net cash flows from operating activities and net cash flows from investments in non-financial assets	-595	-172	87	-96	-2 676	1 210
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	—	—
Surplus(+)/Deficit(-)	-595	-172	87	-96	-2 676	1 210

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

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	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	2 873	3 313	2 168	2 898	961
Advances paid	1 781	1 825	1 679	1 641	1 653
Investments, loans and placements	2 007	2 025	3 632	3 243	3 658
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	3 354
Equity	n.a.	n.a.	n.a.	n.a.	41 407
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>51 033</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	64 066
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	672
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>64 738</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>115 771</i>
Liabilities					
Deposits held	301	390	44	52	41
Advances received	4 486	4 097	3 907	2 340	2 270
Borrowing	13 958	13 198	14 363	15 654	16 761
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	11 323
Other provisions	n.a.	n.a.	n.a.	n.a.	61
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	6 847
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>37 303</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	78 469
Net debt(a)	12 084	10 522	10 834	10 264	12 799

(a) *Equals* deposits held, advances received and borrowing *less* cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	9 169	8 814
Current grants and subsidies	7 096	7 156
Sales of goods and services	2 087	2 207
Interest income	200	57
Other	4 275	1 486
<i>Total</i>	<i>22 826</i>	<i>19 719</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	804	775
Employee expenses	8 344	9 040
Other operating expenses	5 921	6 277
<i>Total</i>	<i>15 069</i>	<i>16 092</i>
Nominal superannuation interest expenses(a)	n.a.	n.a.
Other interest expenses	666	519
Other property expenses	—	—
Current transfers		
Grant expenses	1 783	1 584
Subsidy expenses	552	479
Other current transfers	194	198
Capital transfers		
Grants to local governments	16	20
Other capital transfers	779	628
<i>Total expenses(a)</i>	<i>19 060</i>	<i>19 521</i>
<i>equals</i>		
GFS Net Operating Balance(a)	3 767	198
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	852	1 076
<i>less</i> Depreciation	804	775
<i>plus</i> Change in inventories	—	—
<i>plus</i> Other transactions in non-financial assets	321	-71
<i>Total</i>	<i>368</i>	<i>231</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)(a)	3 399	-32

(a) Data were not available for nominal superannuation interest expenses and no information was available to make an estimate. Consequently, this expense item has not been included in the aggregates.

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	7 227	8 068	8 645	8 259	9 213	8 814
Receipts from sales of goods and services	1 072	1 365	1 299	2 382	2 049	2 201
Grants and subsidies received	6 432	6 656	6 897	7 046	7 522	7 617
Other receipts	1 143	1 774	2 338	1 996	3 716	1 161
<i>Total</i>	15 874	17 863	19 178	19 682	22 500	19 793
Cash payments for operating activities						
Payments for goods and services	-10 465	-10 757	-11 426	-12 813	-17 331	-15 011
Grants and subsidies paid	-2 884	-2 909	-2 852	-3 471	-2 872	-2 682
Interest paid	-1 972	-1 910	-1 450	-1 132	-694	-519
Other payments	-109	-129	-200	-91	-329	-214
<i>Total</i>	-15 430	-15 705	-15 927	-17 506	-21 226	-18 427
<i>Net cash flows from operating activities</i>	444	2 157	3 251	2 176	1 274	1 366
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	226	193	167	622	210	138
Purchases of new non-financial assets	-1 209	-1 164	-1 172	-1 392	-1 522	-1 139
Purchases of secondhand non-financial assets	-86	-21	-17	31	25	-2
<i>Total</i>	-1 069	-991	-1 023	-739	-1 286	-1 003
Net cash flows from investments in financial assets for policy purposes	361	3 677	2 767	1 608	4 343	97
Net cash flows from investments in financial assets for liquidity purposes	-15	-12	-10	69	387	50
Net cash flows from financing activities						
Advances received (net)	-468	-2 098	-108	-26	-1 166	-1
Borrowing (net)	-434	-2 605	-5 238	-2 462	-3 634	-398
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	-32	15
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	-77	-126
<i>Total</i>	200	-4 328	-5 112	-2 234	-4 908	-511
Net Increase(+)/Decrease(-) in Cash Held	-79	504	-126	880	-190	—
SURPLUS(+)/DEFICIT(-)(a)						
Net cash flows from operating activities and net cash flows from investments in non-financial assets	-625	1 166	2 228	1 437	-12	363
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	99	-2
Surplus(+)/Deficit(-)	-625	1 166	2 228	1 437	87	361

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

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	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	1 477	1 618	1 572	952	622
Advances paid	1 600	1 747	1 855	616	494
Investments, loans and placements	1 034	2 729	1 216	1 683	1 270
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	766
Equity	n.a.	n.a.	n.a.	n.a.	22 801
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>25 954</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	31 790
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	696
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>32 486</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>58 440</i>
Liabilities					
Deposits held	855	444	117	156	33
Advances received	2 659	1 017	1 324	1 160	41
Borrowing	20 305	18 130	11 640	10 469	6 966
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	13 645
Other provisions	n.a.	n.a.	n.a.	n.a.	258
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	1 207
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>22 152</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	36 289
Net debt(a)	19 708	13 496	8 438	8 533	4 654

(a) *Equals* deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	4 564	4 942
Current grants and subsidies	5 974	6 303
Sales of goods and services	1 792	1 754
Interest income	1 395	1 132
Other	2 903	2 713
<i>Total</i>	<i>16 627</i>	<i>16 844</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	1 350	1 461
Employee expenses	6 531	6 400
Other operating expenses	4 285	4 129
<i>Total</i>	<i>12 166</i>	<i>11 991</i>
Nominal superannuation interest expenses	821	609
Other interest expenses	183	327
Other property expenses	1	—
Current transfers		
Grant expenses	1 788	2 163
Subsidy expenses	997	1 009
Other current transfers	100	150
Capital transfers		
Grants to local governments	214	215
Other capital transfers	330	360
<i>Total expenses</i>	<i>16 599</i>	<i>16 824</i>
<i>equals</i>		
GFS Net Operating Balance	28	20
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	2 489	2 321
less Depreciation	1 350	1 461
plus Change in inventories	-5	24
plus Other transactions in non-financial assets	—	—
<i>Total</i>	<i>1 134</i>	<i>884</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)	-1 106	-864

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	3 693	3 966	4 276	4 353	4 887	5 352
Receipts from sales of goods and services	1 199	1 280	1 443	1 639	1 572	1 355
Grants and subsidies received	5 293	5 566	5 770	5 857	6 345	6 885
Other receipts	1 816	2 010	2 691	3 617	3 509	3 139
<i>Total</i>	<i>12 002</i>	<i>12 823</i>	<i>14 180</i>	<i>15 466</i>	<i>16 313</i>	<i>16 731</i>
Cash payments for operating activities						
Payments for goods and services	-7 119	-7 973	-8 457	-9 336	-3 793	-3 793
Grants and subsidies paid	-2 113	-2 351	-2 841	-2 901	-1 680	-2 531
Interest paid	-420	-288	-254	-334	-263	-206
Other payments	-53	-84	-142	-98	-8 031	-8 225
<i>Total</i>	<i>-9 705</i>	<i>-10 697</i>	<i>-11 694</i>	<i>-12 670</i>	<i>-13 766</i>	<i>-14 755</i>
<i>Net cash flows from operating activities</i>	<i>2 297</i>	<i>2 126</i>	<i>2 486</i>	<i>2 796</i>	<i>2 547</i>	<i>1 976</i>
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	280	363	304	420	415	304
Purchases of new non-financial assets	-1 411	-1 512	-1 793	-2 125	-2 935	-2 629
Purchases of secondhand non-financial assets	-1	—	-2	—	—	—
<i>Total</i>	<i>-1 132</i>	<i>-1 149</i>	<i>-1 491</i>	<i>-1 704</i>	<i>-2 520</i>	<i>-2 325</i>
Net cash flows from investments in financial assets for policy purposes	180	-118	-44	1 138	195	1 018
Net cash flows from investments in financial assets for liquidity purposes	-871	-956	-1 111	-2 076	136	-409
Net cash flows from financing activities						
Advances received (net)	-238	-1 087	-54	-99	-154	5
Borrowing (net)	-194	-287	863	29	-75	-24
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	—	—
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	882	-425
<i>Total</i>	<i>-529</i>	<i>-419</i>	<i>1 203</i>	<i>651</i>	<i>653</i>	<i>-445</i>
Net Increase(+)/Decrease(-) in Cash Held	-54	-515	1 041	805	1 011	-185

SURPLUS(+)/DEFICIT(-)(a)

Net cash flows from operating activities and net cash flows from investments in non-financial assets	1 166	977	994	1 092	27	-349
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	—	—
Surplus(+)/Deficit(-)	1 166	977	994	1 092	27	-349

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

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	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	1 687	1 942	1 621	809	1 975
Advances paid	941	815	653	757	546
Investments, loans and placements	8 887	8 975	10 188	13 436	11 482
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	3 064
Equity	n.a.	n.a.	n.a.	n.a.	14 982
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>32 048</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	42 531
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	1
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>42 532</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>74 580</i>
Liabilities					
Deposits held	193	164	117	128	1
Advances received	2 229	1 079	1 039	983	180
Borrowing	2 196	2 008	2 623	3 085	4 422
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	9 689
Other provisions	n.a.	n.a.	n.a.	n.a.	161
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	2 455
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>16 908</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	57 673
Net debt(a)	-6 896	-8 480	-8 683	-10 806	-9 399

(a) *Equals* deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	2 473	2 613
Current grants and subsidies	2 974	3 025
Sales of goods and services	941	883
Interest income	143	137
Other	875	893
<i>Total</i>	<i>7 405</i>	<i>7 552</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	331	340
Employee expenses	3 392	3 524
Other operating expenses	1 949	1 906
<i>Total</i>	<i>5 671</i>	<i>5 770</i>
Nominal superannuation interest expenses(a)	n.a.	n.a.
Other interest expenses	639	631
Other property expenses	4	4
Current transfers		
Grant expenses	679	631
Subsidy expenses	514	530
Other current transfers	12	11
Capital transfers		
Grants to local governments	2	3
Other capital transfers	58	88
<i>Total expenses</i>	<i>7 581</i>	<i>7 668</i>
<i>equals</i>		
GFS Net Operating Balance	-176	-116
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	367	631
less Depreciation	331	340
plus Change in inventories	-2	—
plus Other transactions in non-financial assets	-26	11
<i>Total</i>	<i>8</i>	<i>302</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)	-184	-419

(a) At the time this table was compiled nominal superannuation interest expense was not separately identified and formed part of employee expenses. These expenses are now estimated to be \$277m for 1998-99 and \$287m for 1999-00.

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	1 865	2 011	2 108	2 278	2 471	2 610
Receipts from sales of goods and services	475	568	590	751	965	905
Grants and subsidies received	2 910	2 887	2 825	2 894	3 053	3 088
Other receipts	905	939	857	1 065	866	958
<i>Total</i>	6 155	6 405	6 379	6 988	7 354	7 560
Cash payments for operating activities						
Payments for goods and services	-4 243	-4 265	-4 325	-4 763	-5 256	-5 276
Grants and subsidies paid	-865	-848	-957	-1 115	-1 187	-1 187
Interest paid	-1 026	-950	-863	-775	-627	-627
Other payments	-87	-101	-138	-71	-157	-118
<i>Total</i>	-6 220	-6 164	-6 282	-6 724	-7 226	-7 209
<i>Net cash flows from operating activities</i>	-66	241	97	264	128	352
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	100	323	101	101	49	32
Purchases of new non-financial assets	-504	-535	-547	-524	-388	-672
Purchases of secondhand non-financial assets	-77	-184	-3	—	—	—
<i>Total</i>	-482	-396	-450	-423	-339	-640
Net cash flows from investments in financial assets for policy purposes	374	1 032	731	401	87	260
Net cash flows from investments in financial assets for liquidity purposes	1	-3	-5	-6	-3	-2
Net cash flows from financing activities						
Advances received (net)	-218	-107	-169	-96	-17	-167
Borrowing (net)	526	-686	-153	144	404	265
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	183	-12
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	-12	-7
<i>Total</i>	208	-869	-345	-237	558	78
Net Increase(+)/Decrease(-) in Cash Held	35	5	29	-1	432	48

SURPLUS(+)/DEFICIT(-)(a)

Net cash flows from operating activities and net cash flows from investments in non-financial assets	-547	-155	-353	-160	-211	-288
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	—	—
Surplus(+)/Deficit(-)	-547	-155	-353	-160	-211	-288

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

AT 30 JUNE					
	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	983	1 158	1 262	1 434	1 884
Advances paid	2 313	1 591	1 532	1 358	1 260
Investments, loans and placements	81	57	51	69	56
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	409
Equity	n.a.	n.a.	n.a.	n.a.	11 656
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>15 265</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	8 674
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	56
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>8 730</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>23 995</i>
Liabilities					
Deposits held	212	357	507	437	522
Advances received	1 494	1 387	1 216	1 124	1 107
Borrowing	7 487	6 574	6 106	6 062	6 351
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	4 521
Other provisions	n.a.	n.a.	n.a.	n.a.	—
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	877
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>13 378</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	10 617
Net debt(a)	5 815	5 512	4 983	4 762	4 780

(a) *Equals* deposits held, advances received and borrowing *less* cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	3 235	3 343
Current grants and subsidies	3 200	3 162
Sales of goods and services	1 026	1 346
Interest income	107	80
Other	1 609	1 533
<i>Total</i>	<i>9 177</i>	<i>9 464</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	420	385
Employee expenses	3 917	4 054
Other operating expenses	2 201	2 611
<i>Total</i>	<i>6 537</i>	<i>7 051</i>
Nominal superannuation interest expenses	179	282
Other interest expenses	224	214
Other property expenses	—	—
Current transfers		
Grant expenses	1 150	1 277
Subsidy expenses	407	429
Other current transfers	124	97
Capital transfers		
Grants to local governments	131	138
Other capital transfers	123	134
<i>Total expenses</i>	<i>8 875</i>	<i>9 623</i>
<i>equals</i>		
GFS Net Operating Balance	302	-159
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	408	581
<i>less</i> Depreciation	420	385
<i>plus</i> Change in inventories	12	-6
<i>plus</i> Other transactions in non-financial assets	14	17
<i>Total</i>	<i>14</i>	<i>207</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)	288	-366

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	2 442	2 563	2 653	2 993	3 347	3 298
Receipts from sales of goods and services	1 168	1 223	1 292	1 239	1 047	1 660
Grants and subsidies received	3 016	3 343	3 173	3 274	3 384	3 427
Other receipts	699	852	1 040	1 121	1 633	1 463
<i>Total</i>	7 324	7 980	8 158	8 627	9 412	9 849
Cash payments for operating activities						
Payments for goods and services	-4 932	-5 411	-5 687	-6 237	-4 879	-6 176
Grants and subsidies paid	-1 183	-1 290	-1 555	-1 635	-2 083	-2 482
Interest paid	-494	-471	-364	-382	-204	-216
Other payments	-1	-5	-4	—	-1 771	-1 207
<i>Total</i>	-6 609	-7 178	-7 610	-8 253	-8 938	-10 082
<i>Net cash flows from operating activities</i>	715	802	548	373	474	-233
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	144	331	290	151	34	74
Purchases of new non-financial assets	-580	-833	-747	-721	-420	-723
Purchases of secondhand non-financial assets	-65	-93	—	—	—	—
<i>Total</i>	-501	-594	-456	-571	-385	-649
Net cash flows from investments in financial assets for policy purposes	22	1 024	167	1 246	27	198
Net cash flows from investments in financial assets for liquidity purposes	171	283	-7	-37	-8	-9
Net cash flows from financing activities						
Advances received (net)	-180	-285	-23	-49	-9	78
Borrowing (net)	-5	-1 134	-91	-756	25	312
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	—	—
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	-10	177
<i>Total</i>	-280	-1 483	-362	-1 323	5	566
Net Increase(+)/Decrease(-) in Cash Held	127	33	-110	-312	113	-126
SURPLUS(+)/DEFICIT(-)(a)						
Net cash flows from operating activities and net cash flows from investments in non-financial assets	214	208	92	-197	89	-881
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	-59	51
Surplus(+)/Deficit(-)	214	208	92	-197	31	-830

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

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	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	70	115	164	161	154
Advances paid	1 059	759	599	463	1 054
Investments, loans and placements	1 252	1 260	1 182	1 260	1 287
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	650
Equity	n.a.	n.a.	n.a.	n.a.	14 686
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>17 832</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	22 692
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	273
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>22 965</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>40 797</i>
Liabilities					
Deposits held	649	501	412	301	278
Advances received	738	452	434	318	899
Borrowing	3 581	2 612	2 487	1 665	1 736
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	5 852
Other provisions	n.a.	n.a.	n.a.	n.a.	—
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	536
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>9 301</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	31 496
Net debt(a)	2 587	1 431	1 388	400	417

(a) *Equals* deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	667	682
Current grants and subsidies	1 169	1 218
Sales of goods and services	238	205
Interest income	44	33
Other	206	236
<i>Total</i>	2 325	2 374
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	91	93
Employee expenses	98	100
Other operating expenses	1 539	1 607
<i>Total</i>	1 727	1 800
Nominal superannuation interest expenses	45	45
Other interest expenses	186	169
Other property expenses	—	—
Current transfers		
Grant expenses	176	175
Subsidy expenses	116	100
Other current transfers	13	15
Capital transfers		
Grants to local governments	—	—
Other capital transfers	27	17
<i>Total expenses</i>	2 292	2 322
<i>equals</i>		
GFS Net Operating Balance	33	52
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	96	82
<i>less</i> Depreciation	91	93
<i>plus</i> Change in inventories	—	—
<i>plus</i> Other transactions in non-financial assets	3	—
<i>Total</i>	8	-11
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)	26	63

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	601	625	631	632	667	682
Receipts from sales of goods and services	177	194	192	194	236	205
Grants and subsidies received	1 035	1 113	1 124	1 143	1 193	1 290
Other receipts	156	159	183	200	227	197
<i>Total</i>	1 968	2 091	2 129	2 168	2 323	2 374
Cash payments for operating activities						
Payments for goods and services	-1 393	-1 467	-1 548	-1 539	-1 699	-1 758
Grants and subsidies paid	-251	-259	-271	-297	-308	-293
Interest paid	-241	-222	-212	-200	-186	-169
Other payments	-12	-22	-37	-17	-14	-14
<i>Total</i>	-1 898	-1 969	-2 068	-2 054	-2 207	-2 234
<i>Net cash flows from operating activities</i>	71	122	61	114	116	140
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	37	38	47	46	31	20
Purchases of new non-financial assets	-145	-165	-146	-143	-129	-102
Purchases of secondhand non-financial assets	-3	-1	—	-1	—	—
<i>Total</i>	-111	-127	-99	-98	-99	-82
Net cash flows from investments in financial assets for policy purposes	100	64	86	70	93	79
Net cash flows from investments in financial assets for liquidity purposes	-15	-16	38	-16	1	—
Net cash flows from financing activities						
Advances received (net)	-142	-82	-116	-94	-14	-141
Borrowing (net)	83	66	65	47	-72	-4
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	—	—
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	110	8
<i>Total</i>	-83	-11	-14	5	24	-137
Net Increase(+)/Decrease(-) in Cash Held	-39	31	72	76	136	—
SURPLUS(+)/DEFICIT(-)(a)						
Net cash flows from operating activities and net cash flows from investments in non-financial assets	-41	-6	-38	17	18	58
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	—	—
Surplus(+)/Deficit(-)	-41	-6	-38	17	18	58

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

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	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	207	224	247	317	421
Advances paid	806	734	646	575	489
Investments, loans and placements	35	77	36	53	15
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	13
Equity	n.a.	n.a.	n.a.	n.a.	3 671
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>4 610</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	5 430
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	—
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>5 430</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>10 040</i>
Liabilities					
Deposits held	46	54	47	60	24
Advances received	927	846	730	638	614
Borrowing	1 434	1 515	1 547	1 603	1 545
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	1 654
Other provisions	n.a.	n.a.	n.a.	n.a.	1
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	139
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>3 978</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	6 062
Net debt(a)	1 358	1 380	1 395	1 355	1 257

(a) *Equals* deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	339	339
Current grants and subsidies	1 261	1 273
Sales of goods and services	80	83
Interest income	19	19
Other	202	204
<i>Total</i>	<i>1 900</i>	<i>1 919</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	149	150
Employee expenses	829	894
Other operating expenses	405	355
<i>Total</i>	<i>1 383</i>	<i>1 399</i>
Nominal superannuation interest expenses	53	54
Other interest expenses	115	116
Other property expenses	—	—
Current transfers		
Grant expenses	216	218
Subsidy expenses	-1	-1
Other current transfers	8	8
Capital transfers		
Grants to local governments	3	4
Other capital transfers	224	227
<i>Total expenses</i>	<i>2 003</i>	<i>2 025</i>
<i>equals</i>		
GFS Net Operating Balance	-102	-106
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	133	156
less Depreciation	149	150
plus Change in inventories	—	—
plus Other transactions in non-financial assets	-11	-8
<i>Total</i>	<i>-26</i>	<i>-2</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)	-76	-104

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	234	274	298	323	335	383
Receipts from sales of goods and services	88	85	93	87	114	70
Grants and subsidies received	1 116	1 193	1 235	1 309	1 331	1 369
Other receipts	85	80	118	76	105	90
<i>Total</i>	<i>1 523</i>	<i>1 632</i>	<i>1 745</i>	<i>1 796</i>	<i>1 884</i>	<i>1 912</i>
Cash payments for operating activities						
Payments for goods and services	-1 019	-1 064	-1 147	-1 242	-1 326	-1 416
Grants and subsidies paid	-185	-223	-266	-286	-444	-355
Interest paid	-164	-143	-127	-113	-115	-105
Other payments	-9	-9	-8	-6	-13	-10
<i>Total</i>	<i>-1 376</i>	<i>-1 439</i>	<i>-1 548</i>	<i>-1 647</i>	<i>-1 898</i>	<i>-1 886</i>
<i>Net cash flows from operating activities</i>	<i>147</i>	<i>193</i>	<i>197</i>	<i>149</i>	<i>-13</i>	<i>26</i>
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	26	35	35	28	36	34
Purchases of new non-financial assets	-150	-146	-157	-188	-134	-154
Purchases of secondhand non-financial assets	—	—	—	—	-2	-4
<i>Total</i>	<i>-124</i>	<i>-112</i>	<i>-123</i>	<i>-160</i>	<i>-100</i>	<i>-125</i>
Net cash flows from investments in financial assets for policy purposes	1	—	-1	63	103	52
Net cash flows from investments in financial assets for liquidity purposes	—	—	—	—	—	—
Net cash flows from financing activities						
Advances received (net)	-68	-63	-62	-41	1	—
Borrowing (net)	—	-1	4	—	-20	20
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	4	—
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	-26	33
<i>Total</i>	<i>35</i>	<i>-29</i>	<i>-152</i>	<i>53</i>	<i>-41</i>	<i>53</i>
Net Increase(+)/Decrease(-) in Cash Held	58	52	-79	106	-51	6

SURPLUS(+)/DEFICIT(-)(a)

Net cash flows from operating activities and net cash flows from investments in non-financial assets	22	81	75	-11	-113	-99
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	—	—
Surplus(+)/Deficit(-)	22	81	75	-11	-113	-99

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

AT 30 JUNE					
	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	142	146	157	218	210
Advances paid	24	22	24	35	35
Investments, loans and placements	318	334	397	316	294
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	18
Equity	n.a.	n.a.	n.a.	n.a.	1 323
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>1 879</i>
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	4 391
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	32
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>4 423</i>
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>6 302</i>
Liabilities					
Deposits held	180	122	188	136	177
Advances received	598	534	487	432	437
Borrowing	669	795	793	847	747
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	1 265
Other provisions	n.a.	n.a.	n.a.	n.a.	2
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	51
<i>Total</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>2 679</i>
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	3 624
Net debt(a)	963	949	890	847	822

(a) *Equals* deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

	1998-99p	1999-00e
	\$m	\$m
GFS Revenue		
Taxation revenue	626	630
Current grants and subsidies	573	647
Sales of goods and services	198	208
Interest income	56	75
Other	179	222
<i>Total</i>	<i>1 633</i>	<i>1 782</i>
<i>less</i>		
GFS Expenses		
Gross operating expenses		
Depreciation	126	136
Employee expenses	827	816
Other operating expenses	480	491
<i>Total</i>	<i>1 434</i>	<i>1 443</i>
Nominal superannuation interest expenses(a)	n.a.	n.a.
Other interest expenses	58	60
Other property expenses	—	—
Current transfers		
Grant expenses	194	231
Subsidy expenses	9	9
Other current transfers	61	72
Capital transfers		
Other capital transfers	8	12
<i>Total expenses(a)</i>	<i>1 764</i>	<i>1 827</i>
<i>equals</i>		
GFS Net Operating Balance(a)	-131	-45
<i>less</i>		
Net acquisition of non-financial assets		
Gross fixed capital formation	111	161
less Depreciation	126	136
plus Change in inventories	—	—
plus Other transactions in non-financial assets	—	-6
<i>Total</i>	<i>-15</i>	<i>19</i>
<i>equals</i>		
GFS Net Lending (+)/Borrowing(-)(a)	-116	-64

(a) Data were not available for nominal superannuation interest expenses and no information was available to make an estimate. Consequently, this expense item has not been included in the aggregates.

	1994-95	1995-96	1996-97	1997-98	1998-99p	1999-00e
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOW STATEMENT(a)						
Cash receipts from operating activities						
Taxes received	503	514	571	581	636	637
Receipts from sales of goods and services	152	155	196	205	191	202
Grants and subsidies received	572	546	557	563	593	673
Other receipts	94	93	107	174	192	206
<i>Total</i>	<i>1 321</i>	<i>1 308</i>	<i>1 432</i>	<i>1 523</i>	<i>1 612</i>	<i>1 717</i>
Cash payments for operating activities						
Payments for goods and services	-956	-997	-1 092	-1 111	-1 093	-1 186
Grants and subsidies paid	-242	-243	-252	-270	-268	-318
Interest paid	-52	-53	-58	-56	-51	-59
Other payments	-1	-1	-4	—	-68	32
<i>Total</i>	<i>-1 252</i>	<i>-1 294</i>	<i>-1 405</i>	<i>-1 437</i>	<i>-1 480</i>	<i>-1 532</i>
<i>Net cash flows from operating activities</i>	<i>69</i>	<i>14</i>	<i>27</i>	<i>86</i>	<i>132</i>	<i>186</i>
Net cash flows from investments in non-financial assets						
Sales of non-financial assets	30	55	93	47	2	8
Purchases of new non-financial assets	-145	-110	-124	-132	-104	-155
Purchases of secondhand non-financial assets	—	—	-47	—	—	—
<i>Total</i>	<i>-115</i>	<i>-55</i>	<i>-78</i>	<i>-84</i>	<i>-102</i>	<i>-147</i>
Net cash flows from investments in financial assets for policy purposes	14	12	9	82	-3	16
Net cash flows from investments in financial assets for liquidity purposes	-83	-29	-50	-18	-31	-251
Net cash flows from financing activities						
Advances received (net)	-16	-11	-13	-10	-2	—
Borrowing (net)	53	58	43	47	64	391
Deposits received (net)(b)	n.p.	n.p.	n.p.	n.p.	—	—
Other financing (net)(b)	n.p.	n.p.	n.p.	n.p.	-65	-141
<i>Total</i>	<i>-66</i>	<i>43</i>	<i>88</i>	<i>-61</i>	<i>-4</i>	<i>250</i>
Net Increase(+)/Decrease(-) in Cash Held	-181	-14	-4	4	-8	53
SURPLUS (+)/DEFICIT (-)(a)						
Net cash flows from operating activities and net cash flows from investments in non-financial assets	-46	-41	-51	1	30	38
Acquisitions of assets under finance leases and similar arrangements	(c)	(c)	(c)	(c)	-9	-8
Surplus(+)/Deficit(-)	-46	-41	-51	1	21	30

(a) Due to changes associated with the move to an accrual accounting framework, data from 1998-99 onwards have been compiled on a different methodological basis to that of previous years. Consequently, data prior to 1998-99 are not directly comparable with the data for 1998-99 onwards. The net increase/decrease in cash held and the surplus/deficit aggregates should be used with caution.

(b) Data are not available separately for these years.

(c) Data are not available separately for these years and are included in net cash flows from investments in non-financial assets.

Note: Negative figures denote cash outflows.

AT 30 JUNE					
	1995	1996	1997	1998	1999p
	\$m	\$m	\$m	\$m	\$m
Assets					
Financial assets					
Cash and deposits	66	52	86	114	323
Advances paid	219	235	585	504	414
Investments, loans and placements	266	288	392	484	84
Other non-equity assets	n.a.	n.a.	n.a.	n.a.	116
Equity	n.a.	n.a.	n.a.	n.a.	2 692
Total	n.a.	n.a.	n.a.	n.a.	3 629
Non-financial assets					
Land and fixed assets	n.a.	n.a.	n.a.	n.a.	5 304
Other non-financial assets	n.a.	n.a.	n.a.	n.a.	257
Total	n.a.	n.a.	n.a.	n.a.	5 561
Total	n.a.	n.a.	n.a.	n.a.	9 189
Liabilities					
Deposits held	3	11	—	—	—
Advances received	222	241	500	393	340
Borrowing	171	231	424	428	401
Unfunded superannuation liability and other employee entitlements	n.p.	n.p.	n.p.	n.p.	1 436
Other provisions	n.a.	n.a.	n.a.	n.a.	5
Other non-equity liabilities	n.a.	n.a.	n.a.	n.a.	162
Total	n.a.	n.a.	n.a.	n.a.	2 344
GFS Net Worth	n.a.	n.a.	n.a.	n.a.	6 845
Net debt(a)	-155	-92	-139	-281	-80

(a) Equals deposits held, advances received and borrowing less cash and deposits, advances paid, and investments, loans and placements.

EXPLANATORY NOTES

INTRODUCTION

1 The system of Government Finance Statistics (GFS) is designed to provide statistical information on public sector entities in Australia classified in a uniform and systematic way. GFS enable policy makers and analysts to analyse the financial operations and the financial position of the public sector at either the level of a specific government, sector, or a particular set of transactions. The system is based on international standards set out in the System of National Accounts 1993 (SNA93) and the draft accrual version of the International Monetary Fund's *A Manual on Government Finance Statistics*.

2 GFS show, for the various components of the Australian public sector:

- a consolidated operating statement containing details of transactions in GFS revenues, GFS expenses and the net acquisition of non-financial assets, which focuses on the sustainability and economic impact of fiscal policy;
- a consolidated statement of stocks and flows of the Commonwealth and State government which can be used as indicators of their comparative standing; and
- the roles of the different levels of government in undertaking and financing their fiscal programs.

CHANGES IN THIS ISSUE

3 The most fundamental changes in this issue are the adoption of an accrual accounting basis for recording general government finances and the use of a revised presentation format. GFS have been moved from a predominantly cash basis to an accrual basis of recording.

Presentation changes

4 The adoption of the new reporting basis has led to a new statistical presentation. GFS are now presented in the form of Operating Statements, Balance Sheets, Cash Flow Statements, Statements of Stocks and Flows and Reconciliation Statements. New GFS analytical measures are also presented. These are the Net Operating Balance (NOB), Net Lending/Borrowing (NLB), Net Worth (NW), Change in Net Worth (CNW), and Surplus/Deficit (for the descriptions, see the 'GFS measures' part of these notes).

5 The Surplus/Deficit measure, while conceptually comparable to the old Deficit/Surplus measure, has undergone a change in the sign convention — a surplus is now shown as a positive value. The measure is no longer split into current and capital components and is included as an memorandum item to each cash flow statement.

6 The Net debt measure, previously published in the now discontinued publication *Public Sector Financial Assets and Liabilities, Australia* (Cat. no. 5513.0), is included as a memorandum item in the balance sheet presentation.

Classification changes

7 A major consequence of the change in the GFS reporting basis is the replacement or revision of the main GFS classifications. The principal cash-based classification, the Economic Type Framework (ETF), has been replaced by an accrual version. The Type of Asset Classification (TAC) replaces the previous Fixed Asset Classification; the Taxes, Fees and Fines Classification (TFFC) has been replaced by the Taxes Classification (TC), and, the Source/Destination Classification (SDC) has been expanded. The changes are described below:

- *ETF* — this classification is the main classification of stocks and flows. The ETF resembles a set of financial statements, with sections for an operating statement, a cash flow statement and a balance sheet. In addition, there are sections to cater for the reconciliation of accounting net operating result measure with cash flows from operating activities and to capture items like assets acquired under finance leases, intra-unit transfers, and revaluations and other changes in the volume of assets.
- *TAC* — this classification incorporates the SNA93 distinction between produced assets (tangible and intangible) and non-produced (tangible and intangible) assets.
- *TC* — this classification is the old TFFC with the fees and fines group removed. This revision was done because fees have been reclassified as user charges and fines as other current revenue, following SNA93 recommendations.
- *SDC* — this classification has been expanded and now includes categories for resident private sector institutional units (private non-financial and financial corporations, households, non-profit institutions serving households (NPISHs)) and non-resident institutional units.

EXPLANATORY NOTES *continued*

Main differences between cash and accrual GFS

8 The following table summarises the main differences between cash GFS and accrual GFS for each component of the public sector.

MAIN DIFFERENCES BETWEEN CASH AND ACCRUAL GFS

<i>Cash based GFS</i>	<i>Accrual GFS</i>	<i>Main differences</i>
GENERAL GOVERNMENT		
Outlays and revenues compiled on a cash basis	Revenues and expenses compiled on an accrual basis	Change in accounting basis from cash to accrual.
Deficit(+)/Surplus(-) compiled on a cash basis	Surplus(+)/Deficit(-) compiled on a cash basis from the cash flow statement	Change in sign convention
Partial balance sheet (selected financial assets and liabilities)	Full balance sheet	Change to full balance sheet (includes non-financial assets)
PUBLIC NON-FINANCIAL CORPORATIONS		
Outlays and revenues compiled on an accrual basis	Revenues and expenses compiled on an accrual basis	No change in the accounting basis of revenues and expenses
Deficit(+)/Surplus(-) compiled on an approximate cash basis	Surplus(+)/Deficit(-) compiled on a cash basis from the cash flow statement	Change from an approximate cash basis to a cash basis. Change in sign convention
Partial balance sheet (selected financial assets and liabilities)	Full balance sheet	Change to full balance sheet (includes non-financial assets)
PUBLIC FINANCIAL CORPORATIONS		
Outlays and revenues compiled on an accrual basis	Revenues and expenses compiled on an accrual basis	No change in the accounting basis of revenues and expenses
Deficit(+)/Surplus(-) compiled on an approximate cash basis	Surplus(+)/Deficit(-) compiled on a cash basis from the cash flow statement	Change from an approximate cash basis to a cash basis. Change in sign convention
Partial balance sheet (selected financial assets and liabilities)	Full balance sheet	Change to full balance sheet (includes non-financial assets)

DATA IN THIS ISSUE

9 As a number of methodological and data availability issues are still being resolved during the transition from cash to accrual GFS, the data contained in this issue have been designated as *experimental estimates*.

10 The data published in this issue are for the GG sector only. This is because the large increase in the number of tables produced in the accruals system precluded the publication of GFS for all components of the public sector. However, some experimental accrual GFS are available for the PNFC subsector, PFC subsector, the NFPS, and the total public sector as outlined in the 'Unpublished statistics' section of these notes.

11 GFS relating to the GG sector are provided for each jurisdiction, with total local government and total universities being included in the relevant tables. GFS in this issue are presented as follows:

- Operating Statements — 1998–99 and 1999–2000;
- Cash Flow Statements — 1994–95 to 1999–2000;
- Selected financial assets and liabilities as at 30 June 1995 to 30 June 1998 (as published in Cat. no. 5513.0); and
- Balance Sheets as at 30 June 1999.

12 Users should note that Cash Flow Statement data prior to 1998–99 are not directly comparable with data from 1998–99 onwards because of methodological differences between the cash-based statistics and the accruals-based statistics.

13 It has not been possible to compile either Statements of Stocks and Flows or Reconciliation Statements (i.e. reconciliations between GFS and ASNA and government financial statements produced under AAS31 (Australian Accounting Standard 31, Financial Reporting by Governments) for this issue.

FORTHCOMING CHANGES

14 In the next issue of Cat. no. 5501.0, the ABS expects to publish an Operating Statement, a Cash Flow Statement, a Balance Sheet, and a Statement of Stocks and Flows for each jurisdiction, level of government, and components of the Australian public sector. In addition, the ABS also expects to publish a set of tables reconciling GFS to ASNA measures and measures in government financial statements produced under AAS31.

CONCEPTS AND DEFINITIONS

15 An Information Paper (*Information Paper: Accruals-based Government Finance Statistics* (Cat. no. 5517.0)) aimed at helping users understand the statistics presented in this publication was issued on 13 March 2000. That Information Paper outlines the conceptual changes which have been implemented in moving from a cash to an accrual basis of recording.

16 Users analysing previous cash based GFS publications should refer to *Government Finance Statistics, Australia: Concepts, Sources and Methods* (Cat. no. 5514.0), which relates to cash based GFS. An accrual GFS version of this manual is expected to be released later this year.

CONCEPTS AND DEFINITIONS *continued*

17 The central feature of the new accruals GFS conceptual framework is that it is based on an integrated recording of stocks and flows. Stocks refer to the holdings of assets and liabilities at a point in time which are valued at current market prices. Flows are economic events and other occurrences, recorded in the period in which they occur, that cause changes in the value of stocks through the creation, transformation, exchange, transfer or extinction of value. Thus, the stock of assets and liabilities recorded at the beginning of a period changes as a result of flows during the period, moving to new levels at the end of the period.

Scope

18 The system of GFS provides details of revenues, expenses, cash flows and assets and liabilities of the Australian public sector and comprises units which are owned and/or controlled by the Commonwealth, State and local governments. These units are grouped as follows:

- *General government* — a sector which includes all of the agencies of government such as government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production and non-market non-profit institutions which are controlled and mainly financed by government;
- *Public non-financial corporations* — a subsector comprising public sector corporations which aim at covering most of their expenses from revenue from sales of non-financial goods and services; and
- *Public financial corporations* — a subsector comprising public sector corporations which are engaged in providing financial intermediation services or auxiliary financial services (Central Borrowing Authorities (CBA) of State governments are included).

GFS measures

19 The analytical GFS measures are defined as follows:

- *Net Operating Balance* — the difference between GFS revenues and GFS expenses. This measure reflects the sustainability of government operations.
- *Net Lending/Borrowing* — this is equal to NOB minus the total net acquisition of non-financial assets. It represents the government's call on the financial sector and reflects the economic impact of government operations. A positive result reflects a net lending position and a negative result reflects a net borrowing position.
- *Net Worth* — is an economic measure of 'wealth' calculated as assets less liabilities for the GG sector and as assets less liabilities less shares and other contributed capital for the PNFC and PFC sectors. GFS net worth of unlisted corporations will always be zero because owners' equity (shares and other contributed capital) is taken to be the difference between total assets and liabilities. GFS net worth for listed corporations will be positive or negative depending upon the difference between the value of shares carried on the balance sheet and the value of traded shares. As the equity of PNFCs and PFCs held by the GG sector consolidate out at the total public sector level, only equity held outside the public sector will appear.
- *Change in Net Worth* — this is the change in NW over two adjacent periods. CNW (due to transactions) is also equivalent to the NOB and excludes the impact of revaluations and other changes in volume of assets and liabilities.

EXPLANATORY NOTES *continued*

GFS measures *continued*

- *Other financing* — although data are provided for items comprising government financing transactions, this information is generally less reliable than revenue, expense and net acquisition of non-financial assets data. For this reason, the overall measure of government financing is made up of known financing components plus the residual item ‘other financing’. Other financing, therefore, reflects any errors or omissions contained in the data items used to derive this aggregate.
- *Surplus/Deficit* — this cash-based measure is calculated as:
 - Net Cash flows from operating activities
 - plus* Net cash flows from investments in non-financial assets
 - less* Distributions paid
 - less* Acquisitions of assets under finance leases and similar arrangements

SOURCES AND METHODS

Data sources

20 The statistics shown in this publication are based on information given in, or underlying, the published accounting statements and reports of governments and their authorities plus additional dissections of reported transactions and balances. The valuation of stocks and flows in source data are valued in accordance with requirements specified in accounting standards, which generally do not require universal or continual application of current values.

21 For the Commonwealth Government and State governments the primary data sources are:

- public accounts and budget management systems of State Treasuries and the Commonwealth Department of Finance and Administration;
- annual reports of departments and authorities;
- budget papers; and
- reports of Auditors-General.

22 For local government, the main data sources are annual statements of accounts and questionnaires completed by local authorities.

Consolidation

23 To compile statistics about the financial activities of a particular level of government, or any other grouping of public sector units, transactions and debtor/creditor relationships between units within the chosen grouping (sector or subsector) have to be matched and eliminated to avoid double counting. The process of matching and eliminating these items within the chosen group is known as consolidation.

24 Consolidation is particularly important at the State government level where a significant proportion of total expenses/payments are financed by Commonwealth government grants. Similarly, an appreciable part of the expenditure undertaken by State PNFCs is financed by grants from State governments.

INTERSTATE COMPARISONS

25 The statistics in this publication have been compiled using standard definitions, classifications and treatment of government financial transactions to facilitate comparisons between levels of government and between States within a level of government.

INTERSTATE COMPARISONS *continued*

26 However, the statistics also reflect real differences between the administrative and accounting arrangements of the various governments and these differences need to be taken into account when making interstate comparisons. For example, only a state level of government exists in the Australian Capital Territory and a number of functions performed by it are undertaken by local government authorities in other jurisdictions.

27 Interstate comparisons of data may also be significantly affected by differences in the mix of operations undertaken by State governments and local governments. For example:

- water and sewerage undertakings in Victoria, Western Australia and South Australia are operated exclusively by State authorities but are run by local governments in other jurisdictions; and
- government transport undertakings are operated exclusively by State authorities in all States except Queensland where bus transport is operated by the local government sector.

RELATIONSHIP OF GFS TO OTHER INFORMATION

Uniform Presentation Framework

28 Following the May 1991 Premiers' Conference, the Commonwealth and the State governments resolved to implement a Uniform Presentation Framework (UPF) in their budget documents. The purpose of the UPF was to introduce uniformity into the presentation of GFS so that users of the information could make valid comparisons between jurisdictions.

29 Australian governments have, since budget year 1992–93, presented information in their budget documents on the ABS GFS basis. The information presented in the budget documents of each jurisdiction is compiled with the advice and assistance of ABS officers and generally conforms with the standards applied by the ABS. Jurisdictions may present the information based on their interpretation of the GFS classifications, but must provide a reconciliation of this information with information reflecting the ABS decision on these issues. In 1999 the UPF was revised from a cash to an accruals basis and the accrual UPF is to be implemented beginning with most jurisdictions' Budgets for 2000–2001.

30 Variations between ABS statistics and those presented by the jurisdictions can exist because the ABS may:

- disagree with classification treatments applied by jurisdictions;
- employ a different consolidation methodology to those used in jurisdiction Treasuries;
- apply reconciliation adjustments when it consolidates data for all jurisdictions and compares annual data with quarterly data used in compiling ASNA; and
- include data from time to time which was not available when a jurisdiction's GFS presentations were published (e.g. major asset sales).

The first two differences are generally minor, but the last difference can be significant.

Australian Accounting Standard 31

31 AAS31 'Financial Reporting by Governments' has been adopted by most Australian governments in the preparation of their financial statements. Accounting reports prepared under AAS31 and statistical reports prepared on a GFS basis serve different purposes and are aimed at different sets of users. Thus, differences between GFS and AAS31 analytical measures (GFS NOB and AAS31 Operating Surplus/Deficit for example) can be expected. Because of this, reconciliation statements identifying the differences are needed to maintain user confidence in both sets of data. Descriptions of GFS/AAS31 reconciliations are outlined in section 6 of the *ABS Information Paper: Accruals-based Government Finance Statistics* (Cat. no. 5517.0), and the formats are presented in Appendix 1 of this issue.

Australian System of National Accounts

32 While GFS and ASNA share the same conceptual framework (SNA93), there are differences between GFS and ASNA analytical measures (GFS and ASNA NW and NLB for example). Again, there is a similar need for a reconciliation between GFS and ASNA. Descriptions of GFS/ASNA reconciliations are outlined in section 6 of the *ABS Information Paper: Accruals-based Government Finance Statistics* (Cat. no. 5517.0), and the formats are presented in Appendix 1 of this issue.

UNPUBLISHED STATISTICS

33 Experimental accruals GFS estimates for some jurisdictions for the PNFC, PFC, NFPS and total public sector can be provided in spreadsheet format on request, for the years 1998–99 and 1999–2000. Unpublished accruals GFS data are subject to the same limitations mentioned in the Data in this issue section of these notes.

34 GFS for the years 1961–62 to 1997–98 prepared on a cash basis only are also available. This information may be made available in one or more of the following forms: photocopy; computer printout; floppy disk; CD-ROM and clerically-extracted tabulation.

35 Generally, a charge is made for providing unpublished information. Inquiries should be made to the officer whose name appears in the Inquiries section of the publication, or to Information Services in the nearest ABS Office.

RELATED PUBLICATIONS

36 Users may wish to refer to the following publications which contain related information:

Australian National Accounts: Financial Accounts (Cat. no. 5232.0) — issued quarterly

Australian System of National Accounts (Cat. no. 5204.0) — issued annually

Australian National Accounts: National Income, Expenditure and Product (Cat. no. 5206.0) — issued quarterly

Government Finance Statistics (Cat. no. 5512.0) — issued annually

Government Finance Statistics: Concepts, Sources and Methods (Cat. no. 5514.0) — latest edition 1994

Information Paper: Developments in Government Finance Statistics (Cat. no. 5516.0) — issued February 1997

Information Paper: Accruals-Based Government Finance Statistics (Cat. no. 5517.0) — issued March 2000

Statistical Concepts Library (Cat. no. 1361.0.30.001) — latest edition 1997 — issued August 1997 on CD-ROM

Taxation Revenue, Australia (Cat. no. 5506.0) — issued annually

ABBREVIATIONS

AAS31	Australian Accounting Standard 31, Financial Reporting by Governments
ABS	Australian Bureau of Statistics
ASNA	Australian System of National Accounts
CBA	central borrowing authorities
CNW	change in net worth
ETF	Economic Type Framework
FAC	Fixed Asset Classification
GG	general government
GFS	Government Finance Statistics
IMF	International Monetary Fund
NLB	net lending/borrowing
NOB	net operating balance
NPISH	non-profit institutions serving households
NW	net worth
PFC	public financial corporation
PNFC	public non-financial corporation
SDDS	Special Data Dissemination Standard
SII	Survey of International Investment
SNA93	A System of National Accounts 1993
TAC	Type of Asset Classification
TC	Taxes Classification
TFFC	Taxes, Fees and Fines Classification
UPF	Uniform Presentation Framework
e	estimate
n.a.	not available
n.p.	not published
p	preliminary
—	nil or rounded to zero

APPENDIX 1 RECONCILIATIONS TO OTHER DATA

1 Due to the unavailability of data, the five reconciliations described below are not included in this issue. These reconciliations are:

- Statement of Stocks and Flows
- GFS NOB to AAS31 Operating Surplus/Deficit
- GFS NOB to ASNA Savings plus Capital Transfers
- GFS NW to AAS31 Total Net Assets and ASNA Balance Sheet NW
- GFS NLB to ASNA NLB

2 The Statement of Stocks and Flows shows the opening balances of assets and liabilities, the related flows during the reporting period and the closing balances.

3 The following table outlines the Statement of Stocks and Flows and the relationships.

STATEMENT OF STOCKS AND FLOWS

	STOCKS.....	Flows.....	Flows.....	Flows.....	STOCKS.....
	Opening balance sheet	Transaction flows	Revaluations	Other changes in volume of assets	Closing balance sheet
	\$	\$	\$	\$	\$
Assets (1)					
Non-financial assets	—	—	—	—	—
Financial Assets	—	—	—	—	—
Liabilities (2)	—	—	—	—	—
Shares and other contributed capital (3)	—	—	—	—	—
GFS Net Worth					
(1) – (2) – (3)	—	—	—	—	—

4 Differences will occur between the measurement of GFS NOB and the Operating Surplus/Deficit derived by Commonwealth and State Treasuries, under the AAS31. These differences are detailed below:

- *Provisions for doubtful debts* — these provisions (allowances) account for anticipated doubtful debts expensed during the period. These provisions are excluded from GFS NOB as they do not meet the definition of transactions, but they are included in AAS31 Operating Surplus/Deficit.
- *Bad debts written off from provisions and treated as capital transfers in GFS* — an adjustment for these bad debts is required when reconciling GFS NOB to AAS31.
- *Gains and losses on assets* — these assets are excluded from GFS NOB but are included in AAS31 Operating Surplus/Deficit. Such gains and losses, treated as either revenue or expenses in the AAS31 Operating Statement, include profit and loss on the sale of assets, realised and unrealised gains and losses on derivative financial instruments, and realised and unrealised gains and losses on securities valued at historic cost. These items are excluded from the GFS NOB and treated as revaluations in GFS output.

- *Abnormal items* — in GFS only abnormal items that represent revenue and expense transactions relevant to the period are included in the NOB. All abnormal items recorded in the period are included in the measure of AAS31 Operating Surplus/Deficit for that period.
- *Distributions to owners (dividends)* — in GFS, distributions to owners refers to transfers by public corporations to their parent entities and other shareholders in the form of dividends, transfers of profits or other similar distributions. These are regarded as expenses and included in GFS NOB to generate, as closely as possible, the ASNA Savings plus Capital Transfers aggregate. Under accounting conventions, distributions to owners are not regarded as operating expenses.
- *Capitalised interest* — in reports prepared under AAS31, capitalised interest forms part of capital expenditure and is not included in the Operating Surplus/Deficit. In GFS, interest that is capitalised under AAS31 is not considered to be conceptually part of capital formation. It is reflected as an interest expense in GFS output and is therefore included in GFS NOB.

5 The following table outlines the adjustments required to reconcile GFS NOB with AAS31 Operating Surplus/Deficit.

	GFS Net Operating Balance
<i>minus</i>	Provisions for doubtful debts
<i>plus</i>	Bad debts written off from provisions and treated as capital transfers
<i>plus/minus</i>	Gains/losses on assets, including derivatives
<i>plus/minus</i>	Adjustment for abnormal/extraordinary items
<i>plus</i>	Distributions to owners (dividends)
<i>plus</i>	Capitalised interest
<i>plus/minus</i>	Other adjustments(a)
<i>equals</i>	AAS31 Operating Surplus/Deficit

(a) Calculated as a residual. May include adjustments for superannuation, coverage differences and unidentified differences.

6 In practice, the GFS NOB will also differ from ASNA Savings plus Capital Transfers even though they are conceptually intended to be the same. These differences and adjustments required in order to reconcile GFS NOB with ASNA Savings plus Capital Transfers are outlined below:

- *Interest* — in GFS (and under AAS31) interest is valued on an historical or contractual basis, whereas in ASNA interest is valued on a market basis for traded securities. An adjustment for interest calculated at market values is therefore required.
- *Consumption of fixed capital* — the accounting measure of depreciation does not align well in practice with the economic measure of consumption of fixed capital, therefore an adjustment for the difference between the two measures is required.
- *Ownership transfer costs* — in ASNA, costs associated with transactions in real assets are capitalised, not expensed; hence, an adjustment is required.

APPENDIX 1 RECONCILIATIONS TO OTHER DATA *continued*

7 The following table outlines the adjustments required to reconcile GFS NOB with ASNA Savings plus Capital Transfers.

	GFS Net Operating Balance
<i>plus/minus</i>	Adjustment for interest calculated at market values
<i>plus/minus</i>	Adjustment for consumption of fixed capital
<i>plus/minus</i>	Adjustment for ownership transfer costs
<i>plus/minus</i>	Other adjustments(a)
<i>equals</i>	ASNA Savings plus Capital Transfers

(a) Calculated as a residual. May include timing and other unidentifiable differences.

8 GFS NW, AAS31 Net Assets and ASNA Balance Sheet NW measures are the same in concept, but the results differ in practice. The GFS NW measure represents total assets less liabilities less shares and other contributed capital. The AAS31 Net Assets measure represents total assets less liabilities and outside (external) equity interests. Adjustments are required to reconcile GFS NW and the AAS31 and ASNA measures. The following table outlines the adjustments required to reconcile AAS31 Net Assets with GFS NW, and the latter with ASNA Balance Sheet NW.

	GFS Net Worth
<i>plus/minus</i>	Adjustments(a)
<i>equals</i>	AAS31 Net Assets
	GFS Net Worth
<i>plus/minus</i>	Adjustments(b)
<i>equals</i>	AAS31 Balance Sheet Net Worth

(a) Calculated as a residual. Includes adjustments for capitalised interest, provision for bad debts, superannuation, coverage, valuation and unidentified differences. An attempt will be made to separately identify the major components.

(b) Calculated as a residual. Includes adjustments for possible coverage, valuation and unidentified differences. An attempt will be made to separately identify the major components.

9 The value of NLB derived in GFS differs from that derived in ASNA due to the different treatment and valuation of some component items. For example, in ASNA the calculation of interest on marketable securities is based on the market rate whereas in GFS historical or contractual rates are used.

APPENDIX 1 RECONCILIATIONS TO OTHER DATA *continued*

10 The following table outlines the adjustments required to reconcile GFS NLB with ASNA NLB.

	GFS Net Lending(+)/Borrowing(-)
<i>plus/minus</i>	Adjustment for interest calculated at market values
<i>plus/minus</i>	Other adjustments(a)
<i>equals</i>	ASNA Net Lending/Borrowing

(a) Calculated as a residual. May include unidentifiable differences.

APPENDIX 2 SCOPE OF FINANCING IN GFS

INTRODUCTION

Australia subscribes to the Special Data Dissemination Standard (SDDS) established by the International Monetary Fund (IMF) to guide members that have, or that might seek, access to international capital markets, in the provision of their economic and financial data to the public. The standard is expected to enhance the availability of timely and comprehensive statistics and therefore contribute to the pursuit of sound macroeconomic policies and to the improved functioning of financial markets.

The SDDS identifies four dimensions of data dissemination — data coverage, periodicity and timeliness; access by the public; integrity of the disseminated data; and quality of the disseminated data — which are prescribed for seventeen data categories that provide coverage for the four sectors of the economy (real, fiscal, financial and external).

This appendix examines the IMF's data coverage requirements for one data category — the general government or public sector operations of the fiscal sector — and how the ABS is able to satisfy these requirements from government finance and financial accounts collections.

FISCAL SECTOR — GENERAL GOVERNMENT OR PUBLIC SECTOR OPERATIONS

Under the SDDS, the statistical framework for disseminated statistics may focus on either general government operations or public sector operations. The IMF states that the public sector may be defined in a variety of ways, for example, it may include the general government sector plus non-financial corporations (non-financial public sector) or it may consolidate certain public financial corporations with the non-financial corporations. The IMF prefers the non-financial public sector for a complete view of financing requirements. The ABS can meet the requirements for either the general government or non-financial public sector as it disseminates the required data for general government in publications and for the public sector on request.

FINANCING

The SDDS recommends that financing data be classified as domestic and foreign financing, determined by residency, and that domestic financing should be divided between that provided by the banking system and other domestic sectors. Where the residency breakdown is not applicable, the SDDS recommends that transactions may be presented by instrument, currency of issue or other relevant characteristics.

The classifications used in the ABS's GFS collection do not provide for the separate identification of some financing components of general government or public sector operations required by the IMF. However, this finer level of detail is available from the ABS's financial accounts statistics.

In ABS's GFS collection, data are recorded on a cash basis up to 1997–98 and on an accruals basis from 1998–99. On a cash basis, financing data are available by domestic public sector debt holder, for net transactions only in the form of cash flows from financing activities, and by instrument. Debt holder and instrument information are not available for the accruals measure of financing in GFS, since GFS NLB is derived from revenues, expenditures and changes in non-financial assets rather than flows in financial assets and liabilities.

FINANCING *continued*

However, in *Australian National Accounts: Financial Accounts* (Cat. no. 5232.0) financing data are presented for each domestic sector and the external sector classified by instrument. As most instruments are disaggregated to show the subsector of the counterparty, it is possible to identify, by instrument, financing provided by banks and other domestic sectors to general government or public non-financial corporations. For the general government sector and the public non-financial corporations financing data by instrument are available from the following tables:

- Table 19—National Public Non-financial Corporations transactions in financial assets and liabilities
- Table 20—State and Local Public Non-financial Corporations transactions in financial assets and liabilities
- Table 29—National General Government transactions in financial assets and liabilities
- Table 30—State and Local General Government transactions in financial assets and liabilities

Consolidated general government transactions in financial assets and liabilities and transactions in non-financial assets are presented in Table 33.

Special purpose consolidations of data for the public non-financial sector are available on request.

Statistics for public sector financing transactions with non-residents are sourced from the ABS Survey of International Investment (SII). Data for total Australian general government financing transactions with non-residents by instrument are included in ABS SII published in *Balance of Payments and International Investment Position*:

- Cat. No. 5302.0 — issued quarterly
 - ♦ Table 26—Direct Investment and Portfolio Investment Transactions; and
 - ♦ Table 27—Other Investment and Reserve Assets Transactions
- Cat. no. 5363.0 — issued annually
 - ♦ Table 20—Direct Investment and Portfolio Investment Transactions; and
 - ♦ Table 21—Other Investment and Reserve Assets Transactions

A study comparing GFS and financial accounts data for financing transactions of governments has revealed that there are differences between the two collections due mainly to differing concepts and methodology employed and the fact that the data have been compiled from separate data sources. This comparison is shown in the following tables for National, State and Local government financial transactions.

APPENDIX 2 SCOPE OF FINANCING IN GFS *continued*

A2.1 Reconciliation of National Public Non-Financial Sector Financing Transactions Data

	1998-99
	\$m
GOVERNMENT FINANCE STATISTICS	
GFS Revenue	176 910
less	
GFS Expenses	172 540
<i>equals</i>	
GFS Net Operating Balance	4 370
less	
Net acquisition of non-financial assets	
Gross fixed capital formation	9 445
less Depreciation	5 844
plus Change in inventories	455.0
plus Other transactions in non-financial assets	8.0
<i>Total</i>	4 064
<i>equals</i>	
GFS Net Lending(+)/Borrowing(-)(1)	306
FINANCIAL ACCOUNTS	
Financial assets	
Currency and deposits	3 301
Holdings of bills of exchange	108
One name paper	-2
Bonds etc.	-375
Derivatives	108
Loans and placements	-489
Equities	-5 944
Other accounts receivable	1 822
<i>Total</i>	-1 471
Liabilities	
Currency and deposits	76
Drawings of bills of exchange	108
One name paper issued in Australia	-2 128
One name paper issued offshore	-237
Bonds etc. issued in Australia	-4 501
Bonds etc. issued offshore	-813
Derivatives	27
Loans and placements	830
Listed shares and other equity	—
Unlisted shares and other equity	-300
Unfunded superannuation claims	2 317
Other accounts payable	352
<i>Total</i>	-4 269
<i>Change in financial position (2)</i>	2 798
Difference (1) – (2)	-2 492

APPENDIX 2 SCOPE OF FINANCING IN GFS *continued*

A2.2 Reconciliation of State and Local Public Non-Financial Sector Financing Transactions Data

	1998-99
	\$m
GOVERNMENT FINANCE STATISTICS	
GFS Revenue	126 788
less	
GFS Expenses	121 893
<i>equals</i>	
GFS Net Operating Balance	4 895
less	
Net acquisition of non-financial assets	
Gross fixed capital formation	16 099
less Depreciation	11 235
plus Change in inventories	-153
plus Other transactions in non-financial assets	218
Total	4 929
<i>equals</i>	
GFS Net Lending(+)/Borrowing(-)(1)	-34
FINANCIAL ACCOUNTS	
Financial assets	
Currency and deposits	582
Holdings of bills of exchange	-59
One name paper	-185
Bonds etc.	-325
Loans and placements	1 551
Equities	-2 761
Prepayments of premiums and reserves	—
Other accounts receivable	870
Total	-327
Liabilities	
Drawings of bills of exchange	-82
Bonds etc. issued in Australia	-93
Bonds etc. issued offshore	-22
Loans and placements	-3 978
Unfunded superannuation claims	1 932
Other accounts payable	-630
Total	-2 873
<i>Change in financial position (2)</i>	<i>2 546</i>
Difference (1) – (2)	2 580

APPENDIX 2 SCOPE OF FINANCING IN GFS *continued*

REASONS FOR DIFFERENCES BETWEEN GFS AND FINANCIAL ACCOUNTS DATA

There are differences between the GFS and Financial Accounts measures of government financing due to various methodological, conceptual and measurement differences between the two collections. The main differences are listed below.

Financial Accounts

The Financial Accounts estimates are compiled using data from a variety of source material which includes:

- direct surveys of public sector agencies which have a major role in borrowing on markets and/or lending to other agencies;
- detailed reports of debt securities on issue domestically furnished by the Reserve Bank and State central borrowing authorities. These are marked to market by ABS using a commercial pricing service;
- counterpart data where information is obtained from reports by financial institutions of borrowing and lending by government agencies;
- foreign investment/balance of payments data for assets and liabilities held abroad or purchased by non-residents in the domestic market; and
- various media releases, press reports, ratings reports, annual reports, auditors reports, feedback from users and interviews with agencies involved in special (e.g. privatisation) activities.

GFS

The sources for the GFS-based estimates are data provided by Commonwealth and State jurisdictions which undertake to compile sectoral detail for agencies in their jurisdiction. This is supplemented by local government data from State grants commissions and direct surveys of local government.

One of the main analytical balances in the GFS, described as NLB indicates the extent to which the government is either putting financial resources at the disposal of other sectors in the economy or utilising the financial resources generated by other sectors. As shown, GFS 'net lending' is equal to GFS revenue less GFS expenditure less net acquisition of non-financial assets. This measure is derived differently to the Financial Accounts measure described as the 'change in financial position' in which transactions in financial liabilities are deducted from transactions in financial assets.

SUMMARY

The IMF requirements for data on the financing activities of the general government or non-financial public sector cannot all be met with data compiled from the ABSs government finance collection. Good quality counterparty information cannot be provided by respondents to the GFS collection and the accruals classifications do not provide for detailed financial instrument information. However, this information is collected, albeit on a different conceptual and methodological basis, in the international and financial accounts collections and disseminated in related publications. The differences between the collections are currently under investigation.

GLOSSARY

Abnormal/extraordinary items	<p>In accounting terms, abnormal items are transactions that occur within the normal operations of an enterprise but are abnormal due to their size. Extraordinary items are transactions that occur outside ordinary operations and are not of a recurring nature.</p> <p>In GFS, they are amortised to spread their effects so that they are more closely matched to the production period to which they relate.</p>
Accrued recording	A recording method in which revenues, expenses, lending and borrowing are recorded as they are earned, accrued or incurred regardless of when payment is made or received.
Advances paid (net)	Lending by public authorities with the aim of achieving government policy objectives less repayment of past lending.
Advances received (net)	Borrowing, net of repayments, from other public authorities.
Assets	Instruments or entities over which ownership rights are enforced by institutional units and from which economic benefits may be derived by holding them, or using them, over a period of time. Assets are distinguished between non-financial and financial.
AAS31	Australian Accounting Standard 31 (Financial reporting by Governments) is the principal standard applicable to the Commonwealth and State Governments.
Balance sheet	A statement of an entity's financial position at a specific point in time. Contains information on assets, liabilities and owners' equity at a specific date. Also called Statement of Financial Position or Statement of Assets and Liabilities.
Benefits to households in goods and services	Expenditure by government on goods and services produced by market producers that are provided directly to households as social transfers in kind.
Borrowing (net)	Net borrowing by public authorities from public and private bodies and individuals within Australia and from abroad. Net borrowing is gross borrowing less the repayment of past borrowing.
Capital grant expenses	Unrequited payments by government to finance the acquisition of non-financial capital assets by the recipient, or compensate the recipient for damage or destruction of capital assets, or increase the financial capital of the recipient.
Change in net worth (CNW)	This is the difference between net worth at the beginning of a period and net worth at the end of that period.
Current monetary transfers to households	Monetary transfers by government to individuals or households, who are not required to provide any significant amount of goods or services in return, eg. old age pensions and unemployment benefits. 'Work for the dole' schemes are included as the main purpose of such schemes is the transfer of monetary benefits and acquisition of employment skills. Also refers to personal benefit payments to Australian citizens resident overseas.
Current grant expenses	Direct provision of goods and services of a current nature by general government and public corporations.

GLOSSARY *continued*

Deposits received (net)	Net increase in cash held by a government unit as a result of a net change to its liabilities generated by taking deposits from a private body or other government unit.
Depreciation and amortisation	Allocations of the cost of assets over their useful life. Depreciation usually relates to non-current tangible assets which are written off because they wear out or become obsolete. Amortisation usually relates to assets on a fixed lease, non-current intangible assets or natural resources which are no longer available for use at the end of the period.
Distributions paid	Cash transfers by public enterprises to their parent entities and other shareholders in the form of dividends, transfer of profits or other similar distributions.
Expenditure on non-financial assets (net)	Net expenditure on new and second-hand fixed assets, land and intangible assets excluding capitalised interest. Fixed assets are durable goods intended to be employed in the production process for longer than a year.
Finance leases	Leases and other arrangements which effectively transfer most of the risks and benefits associated with ownership of the leased property from the lessor to the lessee.
GFS net lending/ borrowing (NLB)	This is defined as the NOB less net acquisition of non-financial assets.
GFS net worth (NW)	Defined as assets less liabilities and shares/contributed capital. For the general government sector, net worth is assets less liabilities since shares and contributed capital is zero.
Grants and subsidies received	Cash received from voluntary transfers by government and other entities.
Gross domestic product (GDP)	Total market value of goods and services produced in Australia within a given period after deducting the cost of goods used up in the process of production, but before deducting allowances for the consumption of fixed capital (depreciation).
Interest expense	This is made up of nominal interest on unfunded superannuation and interest other than nominal interest on unfunded superannuation. Nominal interest on unfunded superannuation is the imputed interest accrued during the period on unfunded superannuation liabilities. See 'Superannuation expense' below.
Interest income	Income accrued by owners of financial assets such as deposits, securities other than shares, loans and accounts receivable in return for providing funds to other entities.
Liabilities	Obligations to provide economic value to other institutional units.
Net operating balance(NOB)	This is calculated as GFS revenue minus GFS expenses. It is equivalent to the change in net worth arising from transactions.
Other financing transactions	Total financing less advances received (net), less borrowing (net), less deposits received (net) plus distributions paid. This is a residual calculation within cash flow statements and hence encompasses any errors and omissions in the components used to derive it.

GLOSSARY *continued*

Sales of goods and services	Revenue from the direct provision of goods and services by general government and public corporations.
Savings	Equal to NOB minus capital revenue (capital grants and assets acquired below fair value) and capital transfer expenses.
Superannuation expense	In statistical terms, superannuation expense is a component of 'compensation of employees'. Superannuation expense in a period represents the increase in superannuation liability due to services provided by employees in that period.
Surplus(+)/Deficit(-)	Net cash flows from operating activities plus net cash flows from investments in non-financial assets, less distributions paid, less assets acquired under finance leases and similar arrangements.

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- INTERNET** www.abs.gov.au the ABS web site is the best place to start for access to summary data from our latest publications, information about the ABS, advice about upcoming releases, our catalogue, and Australia Now—a statistical profile.
- LIBRARY** A range of ABS publications is available from public and tertiary libraries Australia-wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our web site for a list of libraries.
- CPI INFOLINE** For current and historical Consumer Price Index data, call 1902 981 074 (call cost 75c per minute).
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