

NEW SOUTH WALES

GOVERNMENT FINANCE  
STATISTICS ESTIMATES

1991-92

BUDGET PAPER No. 6



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# 1 INTRODUCTION

This Budget Paper was first presented in 1988-89 and has developed to serve three purposes:

- \* facilitate timely intergovernmental financial comparisons;
- \* present information on the overall State sector, not just the Budget sector; and
- \* provide information to allow an assessment to be made of the impact of NSW public sector transactions on the economy generally.

With the adoption of the Government Finance Statisticians presentation of the Budget in 1991-92 in place of the previous Consolidated Fund approach, the differences between the information provided in this Budget Paper and that provided in other Budget Papers have declined substantially. Both this Budget Paper and the key Budget Papers 2 and 3 are now based on the same statistical conventions and framework. Accordingly, information presented in Budget Papers No.2 and 3 enables an informed assessment to be made of the impact of the Budget on economic activity.

However, the other two reasons set out above for this Budget Paper continue to be valid.

While the adoption of a Government Finance Statistics presentation of the Budget does assist in making intergovernmental comparisons, there remains substantial differences between the Australian Governments in the scope and approach to the presentation of the Budget. Recognising the need to address the lack of comparability, the May 1991 Premiers' Conference endorsed the proposal for all Governments to include, as supplementary information in Budget Papers, information on a Government Finance Statistics basis that fully reflect the approach of the Australian Bureau of Statistics.

In addition, while the prime focus is on the general government sector, it is desirable to be able to assess the overall position of State finances. This Budget Paper provides information on the general government sector, public trading enterprises sector and the overall State sector.

While the differences between the general government sector presentation in this Budget Paper and the presentation of the State Budget have reduced markedly in recent years, nevertheless there remain two significant differences.

Firstly, the classification of public sector entities between the budget and non budget sectors differs from the distinction between general government enterprises and public trading enterprises. While the budget sector represents the majority of the general government sector, transactions within the non budget general government sector (eg Darling Harbour Authority, Motor Accidents Authority, etc.) can have a significant impact on the deficit. In addition to the exclusion of certain government authorities, selected Treasury special deposit accounts such as the Salaries Adjustment Suspense account have been excluded from the budget sector. In the case of this account it was considered that an accrual concept for wage payments within the budget sector should be maintained even within a Government Finance Statistics presentation.

Appendix E provides a complete listing of the public sector entities included in this Budget Paper which are classified as either general government enterprises (budget and non budget) or public trading enterprises.

Secondly, the presentation in this Budget Paper is based on the economic classification of transactions and in particular applies a strict distinction between current and capital outlays. While the Budget is largely based on the same economic classification of transactions, there is not the same strict application of the criteria for distinguishing current and capital outlays.

As far as possible this Budget Paper uses the same concepts as the Government Financial Estimates publication. However, there are a number of areas where it has been found necessary to adopt a different approach to the classification of certain transactions. To assist users of this publication Appendix C provides estimates on a comparable basis to those published by the ABS.

As in previous years the estimates in this Budget Paper do not cover the operations of the NSW Treasury Corporation. While the inclusion of the Treasury Corporation would result in only a minor impact on the deficit it does result in a number of significant changes in the composition of the State's financing transactions and the level of interest paid and received. The inclusion of Treasury Corporation in this Budget Paper would distort the presentation of the state public sector.

## 2 STATE PUBLIC SECTOR OUTLAYS AND REVENUES FOR 1991-92

### Overview

Table 2.1 presents estimates by economic type for NSW public sector outlays, revenues and financing transactions in 1991-92. The definition of terms used are explained in Chapter 5 and Appendix A. More detailed tabulations are provided in Appendix B.

**Table 2.1: Summary of Estimates 1991-92 <sup>(1)</sup>**

	General Government		Public Trading Enterprise		Total State Sector (2)	
	1991-92 \$m	% change	1991-92 \$m	% change	1991-92 \$m	% change
Current Outlays	16,394	6.4	2,128	17.3	17,655	5.9
. Final Consumption Expenditure	11,709	6.1	-	n.a.	11,709	6.1
. Current Transfer Payments	4,685	7.4	2,128	17.3	5,947	5.6
Capital Outlays (3)	695	13.6	2,156	15.1	2,066	3.9
. Gross Fixed Capital Expenditure	1,510	(-)3.5	2,173	24.2	3,683	11.1
. Sale of Business Assets	(-)1,750	na	-	-	(-)1,750	na
. Other Capital Outlays	935	59.5	(-)17	na	133	(-)62.8
Total Outlays (3)	17,090	7.3	4,284	16.2	19,721	5.5
Revenue and Grants Received	17,618	6.9	3,086	2.7	18,957	4.6
. Taxes, Fees and Fines	9,223	11.6	-	n.a.	9,223	11.6
. Other Own Source Revenues	1,443	8.8	2,257	(-)0.7	2,880	(-)6.2
. Grants Received	6,952	0.9	828	13.4	6,854	0.9
Financing Transactions (3) (4)	(-)529	13.7	1,198	75.5	764	13.6
Deficit (3) (5)	(-)637	21.1	(-)159	(-)62.3	(-)702	10.3
Deficit adjustment for special factors (3)(5)	1,113	21.1	(-)159	(-)62.3	1,048	10.3
- Operating Result	(-)328	1,297.4	(-)1,386	(-)5.1	(-)1,714	15.5
- Capital Result	1,441	52.9	1,226	18.3	2,761	13.5

(1) Items may not add to totals due to rounding.

(2) Does not represent the sum of the general government and public trading enterprise sectors due to the existence of intra-sector transactions.

(3) Percentage changes have been adjusted to remove the impact of the sale of business assets.

(4) Total outlays less revenue and grants received.

(5) Financing Transactions less increases in provisions. A positive number represents a deficit, while a negative number represents a surplus.

n.a. Not applicable

- Nil or Less than \$500,000.

Overall the deficit of the State sector is projected to increase by 10.3 per cent from \$950 million in 1990-91 to \$1,048 million in 1991-92 after allowing for the sale of business assets. As a percentage of Gross State Product (GSP) the deficit will remain at 0.7 per cent. As can be seen from Table 2.2 the deficit both in 1990-91 and 1991-92 is well below the average of the other States.

The overall result reflects a deficit for the general government sector and a surplus for the public trading enterprise sector. The deficit for general government sector (after offsetting the impact of the sale of business assets) remains at a relatively high level compared with recent years reflecting redundancy and increased superannuation payments. The decline in the surplus of the public trading enterprise sector results from a large increase in capital outlays along with increased dividend payments.

Up until 1989-90 the trend in the deficit had been downwards. Since then, the downturn in the economy has resulted in a sharp increase in the deficit. However, it should be remembered that the deficit in 1991-1992 will remain significantly less than that recorded in the mid 1980s.

**Table 2.2 Financing Requirement\***

	1986-87	1987-88	1988-89	1989-90	1990-91 Prelim/ Est	1991-92 Proj
<b>NSW</b>						
General Government	970	340	-450	712	919	1,113
Public Trading Enterprises	1,355	1,005	-527	-461	-423	-159
<b>Total</b>	<b>2,129</b>	<b>1,170</b>	<b>-963</b>	<b>297</b>	<b>950</b>	<b>1,048</b>
% of GSP	2.3	1.1	-0.8	0.2	0.7	0.7
<b>Other States #</b>						
General Government	1,993	920	1,026	1,607	1,300	2,231
Public Trading Enterprises	2,449	1,531	1,131	1,494	829	851
<b>Total</b>	<b>3,682</b>	<b>2,040</b>	<b>1,770</b>	<b>3,411</b>	<b>2,271</b>	<b>3,038</b>
% of GSP	2.2	1.1	0.8	1.4	0.9	1.2

\* New South Wales figures for 1988-89, 1989-90 and 1990-91 are sourced from this Budget Paper after adjustment for special factors. Other State figures for 1991-92 are sourced from Budget Papers. All other figures are from the Australian Bureau of Statistics publication "Government Financial Estimates", (Catalogue 5501.0).

# Adjustment is made to 1990-91 figure to allow for the sale of the State Bank of Victoria.

Overall the deficit for New South Wales has declined from 2.3 per cent of GSP in 1986-87 to 0.2 per cent in 1989-90. In 1991-92 the underlying deficit is projected to remain at its 1990-91 level of 0.7 per cent of GSP.



Percentage changes in selected aggregates for both the general government, the public trading enterprise and total state sectors has been adjusted between 1988-89 and 1991-92 for a series of transactions that distort the statistics. In particular, the following adjustments have been made to facilitate inter-year comparisons -

- the impact of asset sales by the Electricity Commission to County Councils in 1989-90 has been excluded. County Councils are classified within the local government sector and hence such sales reduce the deficit of the State sector. However, on a broader definition, County Councils could be treated as part of the State sector and it was felt advisable for such transfers of debt and assets not to be interpreted as having an economic impact;
- the State Rail Authority was financially restructured in 1989-90 by the removal of all debt and surplus assets which were taken over by Treasury. As part of this restructuring, the general government sector now funds by way of grants the non-commercial capital works of the authority. This has resulted in a decline in the net financing requirement (NFR) for the public trading enterprise sector and a corresponding increase for the general government sector. Accordingly, a corresponding adjustment has been made to the 1988-89 statistics to facilitate comparability;
- in 1990-91 the Commonwealth Government commenced the transfer to the States of Commonwealth debt raised on their behalf. The transfer results in the States increasing their level of approved borrowings and making repayments to the Commonwealth. This process artificially inflates the NFR of the States and deflates the NFR of the Commonwealth; and
- the sale of business assets in 1991-92 artificially reduces the deficit in that year. Given the one off nature of this transaction it has been decided to adjust the deficit for this factor.

In addition to adjusting percentage changes, the various tables also show the deficit netting out the impact of these transactions.

## General Government Sector

### OUTLAYS

In 1991-92 total current outlays by the general government sector are expected to increase by 6.4 per cent. This increase is made up of a 6.1 per cent increase in final consumption expenditure and a 7.4 per cent increase in current transfer payments.

Subsidies to public trading enterprises are projected to remain almost unchanged due to improvements in operating efficiency of both the State Rail Authority and State Transit Authority. It should be noted that in the case of both these organisations subsidies include payments by the general government sector to fund redundancies. Interest payments by the general government sector are expected to increase in 1991-92 reflecting higher debt levels and the impact of the transfer of debt previously issued by the Commonwealth. When comparing interest payments in 1991-92 with 1988-89 it should be borne in mind that the general government sector has taken over the debts of both the State Rail Authority and the Grain Corporation resulting in a sharp increase in interest payments by the general government sector in 1989-90. The corollary of this is that interest payments by the public trading enterprise sector are reduced substantially compared with 1988-89.

Capital outlays by the general government sector in 1991-92 are projected to fall by 67.7 per cent per cent reflecting the impact of the sale of state business assets. Within a Government Finance Statistics framework the sale of a government enterprise is treated as a negative advance to the private sector. After removing the impact of this, capital outlays are expected to increase by 13.6 per cent in 1991-92. Expenditure on new and secondhand fixed assets and the purchase of land is expected to increase by 1.2 per cent with asset sales remaining virtually unchanged between the two years. Capital grants to public trading enterprises remain at a high level reflecting the continuation of the Government's policy to fund non-commercial capital works of the SRA through the general government sector.

Overall, total outlays, current and capital, are projected to increase by 7.3 per cent in 1991-92 after offsetting for the impact of the sale of business assets.

### REVENUE AND GRANTS RECEIVED

In 1991-92 revenues (including grants) are projected to increase by 6.9 compared with an increase of only 3.7 per cent in 1990-91. This consists of a 11.6 per cent increase in taxation revenue, a 8.8 per cent increase in property income and other revenue and a 0.9 per cent increase in grants received (principally grants from the Commonwealth). The growth in property income reflects the impact of a substantial increase in dividends from public trading enterprises. Income from public financial enterprise continues to decline owing to the general deterioration in the profitability of the finance industry associated with the recession and the collapse of asset prices.

### FINANCING TRANSACTIONS

The deficit for the general government sector is projected to be \$1,113 million after allowing for the impact of the sale of business assets. This compares with a deficit of \$919 million in 1990-91 and a surplus of \$450 million in 1988-89.

The deficit can be dissected into an operating and capital component. In 1991-92 the general government sector is expected to continue to show a significant operating surplus of \$328 million, while a capital deficit of \$1,441 million is projected.

The deficit compares with a Budget financial result of \$1,089 million. The difference is due to the wider definition of the general government sector (See Appendix E).

## **Public Trading Enterprises**

### **OUTLAYS**

In 1991-92 total outlays by the public trading enterprise sector are expected to increase by 16.2 per cent. This follows a 1.5 per cent increase in 1990-91 after allowing for the inclusion of Sydney Electricity within the state sector and the transfer of the 132kV substations to local government. Current outlays are expected to increase in 1991-92 by 17.3 per cent with capital outlays increasing by 15.1 per cent.

The increase in the current outlays reflects significantly higher dividend payments to the general government sector offset partly by lower interest costs as a result of both a reduction in debt over the past three years and anticipated lower interest rates. When comparing interest payments in 1991-92 with 1988-89 it should be borne in mind that the general government sector has taken over the debts of both the Grain Handling Corporation (now known as GrainCorp) and the non-commercial operations of the State Rail Authority. This has resulted in a sharp reduction in interest payments by the public trading enterprise sector in 1989-90.

Gross fixed capital expenditure by public trading enterprises is expected to increase by 24.2 per cent, reflecting significant increases in the capital works program of the Electricity Commission and Water Boards. In addition, assets sales are not expected to recover due to the depressed condition of the commercial property market.

### **REVENUE AND GRANTS RECEIVED**

Revenue and grants received by the public trading enterprise sector are projected to increase by 2.7 per cent in 1991-92. Operating revenue of public trading enterprises is expected to increase by only 3.8 per cent as a result of both the government's policy to restrain the growth in charges and the impact of the downturn in the economy on such areas as SRA freight revenue and sales of electricity to industry.

Operating expenditure of public trading enterprises will increase by only 3.6 per cent following an increase of 5.7 per cent in the previous year. Since 1988-89 the operating expenditure of the State's public trading enterprise has fallen by \$230 million or 2.0 per cent in real terms. This reduction in operating expenditure is in spite of the increases in demand over this period.

The improvement in the operating performance of the State's public trading enterprises is shown in table 2.3. Between 1988-89 and 1991-92 gross operating surplus (defined as net operating surplus less subsidies received) is expected to increase by nearly 200 per cent. It should be noted that the gross operating result differs from the operating result component of the deficit in that it does not take into account interest paid and other current outlays and subsidies and other current income.

**Table 2.3 Gross Operating Surplus of Public Trading Enterprises**

	\$Mill
1988-89	317
1989-90	810
1990-91	798
1991-92 est.	943

## FINANCING TRANSACTIONS

With a substantial increase in current and capital outlays and a subdued growth in revenues, total financing transactions of the public trading enterprise sector are expected to increase sharply in 1991-92. However, the deficit of the public trading enterprise sector is still projected to be a significant surplus of \$159 million. The reduction in the surplus for the public trading enterprise sector in 1991-92 in the main results from increased capital expenditure, the sharp increase in dividend payments and the continued depressed state of the economy. It should be noted that the public trading enterprise sector is expected to repay debt for the third year in succession. Like the general government sector, public trading enterprises show a significant surplus on their operating accounts. In 1991-92 the operating result of the public trading enterprise sector is projected as a surplus of \$1,386 million with the capital result being a deficit of \$1,226 million. It should be borne in mind that when considering the operating result of the public trading enterprise sector that subsidies by the general government sector form part of the revenue of this sector and therefore increase the surplus.

## Total State Sector

### OUTLAYS

In 1991-92 total state outlays are expected to decline by 3.1 per cent. After allowing for the sale of business assets total state outlay in 1991-92 are projected to increase by 5.5 per cent. This follows an increase of 5.9 per cent in 1990-91.

The increase in total outlays in 1991-92 is made up of a 5.9 per cent increase in current outlays and a 3.9 per cent increase in capital outlays. In real terms current outlays are expected to increase by 2.3 per cent with capital outlays increasing by 0.5 per cent.

Sales of fixed assets and land will total \$784 million in 1991-92 (reflecting the Government's program to dispose of surplus assets and reduce debt). This compares with asset sales of \$595 million in 1990-91 and \$1,261 million in 1988-89.

### REVENUE AND GRANTS RECEIVED

Total state revenues (including grants received) are expected to increase by 4.6 per cent in 1991-92. This follows an increase of only 3.2 per cent in 1990-91. Combining these two years produces the lowest growth in state revenues on record. Own source revenues are expected to grow by 6.8 per cent with revenue from grants increasing by only 0.9 per cent.

## **FINANCING TRANSACTIONS**

In 1991-92 financing transactions by the state sector are expected to total \$2,514 million after removing the impact of the sale of business assets. The deficit is projected to be \$1,048 million compared with \$950 million in 1990-91 and a surplus of \$963 million in 1988-89. The operating result for the total state sector in 1991-92 is expected to remain in a substantial surplus of \$1.7 billion.

### **3 COMPARISON OF ACTUAL AND ESTIMATED STATE PUBLIC SECTOR OUTLAYS AND REVENUES FOR 1990-91**

Appendix D shows a comparison of actual and estimated results for 1990-91. Variations between actual and projected outlays, revenues and financings for 1990-91 reflect the net product of three factors -

- expansion in the coverage of organisations included in the data. The impact of this is to increase outlays and revenue, but not significantly, the NFR;
- refinement of data to correct for errors and misclassification of transactions; and
- errors in projections of revenue and outlays.

#### **General Government Sector**

The major variation between estimated and actual results for 1990-91 was the increase in the deficit from \$512 million to \$919 million. The major factors influencing this were:

- lower taxation receipts reflecting the sharper than expected downturn in the economy and the impact of the collapse of the property market on revenue from contracts and conveyancing receipts. In total, taxation receipts were down roundly \$400 million.
- higher capital outlays as a result of the poor climate for the sale of assets partly offset by lower expenditure. Asset sales were some \$450 million below projections while expenditure was down around \$100 million.

Current outlays were close to budget allowing for a revised treatment for taxes collected by public trading enterprises. Within this Budget Paper taxes collected by public trading enterprises are now imputed to have been received by the general government sector with that sector paying a subsidy to the relevant public trading enterprise.

#### **Public Trading Enterprise Sector**

After allowing for the inclusion of Sydney Electricity within the figures for the first time in 1990-91 the deficit was close to that projected in spite of the worse than expected downturn in the economy. On the outlays side the major variation was lower capital expenditure combined with a higher level of asset sales.

## 4 COMPARISONS WITH ABS PUBLICATIONS

In general this Budget Paper adopts the same approach to that used by the ABS in its Government Financial Estimates publication. At this stage two areas have been identified where classification of transactions in this Budget Paper differs from that used in the Australian Bureau of Statistics Government Financial Estimates publication. These areas are -

- the treatment of certain Commonwealth payments where the State acts merely as an agent; and
- the treatment of the Higher Education levy.

In addition, the presentation adopted in this publication differs slightly from that used in ABS documents in that it identifies an operating and capital Net Public Sector Financing Requirement.

Appendix C provides details of the adjustments required to place the information presented in this Budget Paper on a comparable basis to that published by the ABS.

### Treatment of Certain Commonwealth Payments

For certain Commonwealth payments (higher education, non-government schools and local government tax sharing and road funding) the State essentially acts as an agent of the Commonwealth. In addition to this, the Commonwealth makes direct payment to local government. In the case of these payments the State has no control over the spending nor is it involved in any negotiations concerning funding. Given this, it has been decided to treat these items as trust funds in the tables presented in this publication to avoid any distortions of the State sector.

By contrast, the ABS treats these payments as being undertaken by the State on its own behalf.

### Higher Education Levy

The ABS classifies as a State tax the revenue raised from students under the Higher Education Contributions Scheme. Given the exclusion of Commonwealth payments for Universities and Colleges of Advanced Education from the tables appearing in this Budget Paper this revenue item is also excluded.

### Operating and Capital Net Financing Requirements

The ABS presentation does not distinguish between the financing requirement for operating and capital outlays. Such a distinction is considered important since there are grounds for financing capital outlays which provide future services by the use of borrowings. The tables in Appendix B provide estimates of the operating and capital Net Public Sector Financing Requirement.

## Other Possible Changes

Consideration has been given to also departing from the ABS approach of treating asset sales as an offset against capital outlays. Various commentators have argued in the past that asset sales are analogous in economic impact to the sale of financial assets in that there is a transfer of savings from the private sector to the public sector.

While there may be some merit in this argument, it ignores the need to treat transactions in a consistent manner both within the public sector and between the private and public sectors. For example, if asset sales were treated as a financing transaction it would also be necessary to maintain symmetry to treat asset purchases as a financing transaction. Such an approach would produce an anomalous situation whereby the purchase of an asset is treated differently from the construction of an asset.

Given the reasons outlined above the ABS approach of treating asset sales as an offset to capital outlays has been adopted.

## Comparison of Data Sources

When comparing the accompanying tables with those published in Government Financial Estimates a number of differences in the source of information should be recognised. Firstly, the ABS has, up until now, made limited use of information concerning the transactions of the states statutory authorities held by Treasury. Secondly, ABS estimates for the budget year in New South Wales are based on sample data while this publication involves almost a complete census of public sector entities. Finally, this publication has made much greater use of the expertise of finance and accounting officers of the public sector to determine the nature of the transactions.

Given the differences outlined above the information presented in this Budget Paper is more accurate than that currently published in the ABS publication Government Financial Estimates.



## **5 ECONOMIC TYPE CLASSIFICATION**

The economic type classification adopted in this Budget Paper closely follows international conventions as outlined in the ABS publication, "Classification of Government Finance Statistics", Catalogue Number 1217.0.

A dissection of outlays by functional category is not provided due to the substantial additional data collection involved. However, from 1992-93 functional information as well as a dissection of taxes, fees and fines will be provided.

### **Classification of Public Sector Entities**

Public sector entities in New South Wales can be classified as either General Government Enterprises (GGEs), Public Trading Enterprises (PTEs) or Public Financial Enterprises (PFEs).

GGEs consist of those public sector entities which provide, in the main, goods and services outside the market mechanism as well as providing for the transfer of income for public policy purposes. The major form of financing of these goods and services and transfers is by taxation, imposed by the State or by the Commonwealth and subsequently on passed to the State. In New South Wales most government departments and a number of statutory authorities (for example, Darling Harbour and Board of Fire Commissioners) fit into this category.

In contrast, public trading enterprises charge for services provided and hence have a broadly commercial orientation. They do not, however, necessarily operate in competitive markets. While public trading enterprises are not required to be fully self funding, a substantial portion of their costs must be met by user charges. The major public trading enterprises in New South Wales are the Electricity Commission, the Water Board and the State Rail Authority.

PFEs are the third category of authorities in the ABS framework. The Government Insurance Office and the State Bank are the major entities in New South Wales operating in this sector. Public financial enterprises are not included in this publication as they operate in competitive markets and at arms length from Government.

The classification of government organisations as between general government enterprises and public trading and public financial enterprises is broadly similar to the distinction between budget and non budget sectors as applied in Budget Papers 2 and 3.

## Economic Type Classification

Transactions of public entities can be placed into one of four major economic categories, these categories being subdivided into approximately 150 groups. The four major categories are current outlays, capital outlays, revenue and grants received and financing transactions.

### CURRENT OUTLAYS

Current outlays consist of final consumption expenditure and current transfer payments.

Final consumption expenditure is recorded only for the general government sector. This is due to the convention of valuing the services produced by general government on the basis of the costs incurred in providing these services, less any revenues from sales. In effect the general government sector is treated as both a producer and a consumer of publicly provided goods and services on behalf of the community. For other sectors of the economy, consumption expenditure is allocated to the real end user. In the case of the public trading enterprise sector, net receipts from the purchases and sales of goods and services are classified within the revenue and grants received category. The placement of these transactions in this category reflects the fact that these authorities are considered to be producers of goods and services, with consumption of these services recorded in the private sector.

Transfer payments cover transactions such as interest payments, subsidies, personal benefits payments and grants. In these cases there is no exchange of ownership of goods and services. While transfer payments are a very important part of Commonwealth Government current outlays, this is not the case at the State level.

### CAPITAL OUTLAYS

Capital outlays can be divided into capital expenditure and capital transfer payments.

Capital expenditure represents expenditure on durable goods intended to be employed in the production process and providing services for longer than one year, net purchases of land and intangible assets and increases in stocks. The sale of fixed assets is offset against new expenditure.

Capital transfer payments can be either in the form of a grant or advance. Advances represent the provision of repayable financial assistance with the intention of furthering a policy objective. Advances are distinguished from investments which are motivated by liquidity management purposes and the need to earn a commercial rate of return.

## REVENUE AND GRANTS

Within the revenue and grants category, an important distinction needs to be made between taxes, fees and fines and other forms of revenue.

Taxes are compulsory levies imposed by government in order to raise general revenue. As such there is no linkage between the payment of tax and the provision of goods and services. Taxes should be distinguished from user charges in which there is a clear linkage between the provision of goods and services and the payment of the charge. Examples of user charges include electricity, water and public transport charges.

A major sub-category within revenue and grants received is the net operating surplus of public trading enterprises. It should be noted that, within the economic type framework, interest paid is classified as a current outlay while interest received is classified to its own sub-category within revenue and grants received. Interest paid exceeds interest received, with the result that the net operating surplus of public trading enterprises, as indicated in this Budget Paper, is substantially higher than that recorded by the authorities concerned in their annual reports. Furthermore subsidies received by public trading enterprises are recorded in this publication as operating revenue.

## FINANCING TRANSACTIONS

In contrast to outlays and revenue, which can be termed 'above the line' items, financing transactions involve changes in financial assets and liabilities and, as such, can be considered 'below the line' items. Total financing transactions is defined as current and capital outlays less revenue and grants received.

Within this Budget Paper financing transactions have been divided into five categories -

- net advances received;
- net borrowings;
- increases in investment, currency and deposits;
- increases in provisions; and
- other financing transactions.

The deficit is defined as the difference between cash outlays and cash receipts. That is, it represents total financing transactions less any increases in provisions. It represents the call on savings by the State public sector (including the call on the savings of the Commonwealth).

The Net Financing Requirement (NFR) is defined as total financing transactions less both net advances received and increases in provisions. The NFR represents the direct call of the New South Wales public sector on the savings of the private economy. Net advances received are deducted when calculating the NFR to avoid double counting, since they form an outlay of the sector making the advance.

Within both the deficit and the NFR a distinction can be made between that part which results from current outlays and revenues and that part which results from capital outlays and revenues. The operating deficit and NFR are calculated as current outlays less both current revenue and increases in provisions. The capital deficit is calculated as capital outlays less capital revenue with the capital NFR also taking into account net advances received.

Appendix A provides further details of the terms used in this Budget Paper.

## **APPENDIX A - DEFINITION OF KEY TERMS**

### **Sectors**

#### **GENERAL GOVERNMENT SECTOR**

The general government sector comprises enterprises which are principally engaged in the production of goods and services outside the normal market mechanism. Goods and services are produced for consumption by governments and the general public, with the cost of production being financed from public revenue and/or charges which are below the cost of production.

#### **PUBLIC TRADING ENTERPRISE SECTOR**

The public trading enterprise sector comprises enterprises which are principally engaged in the production of goods and services for sale in the market with the intention of maximising profits and financial returns to their owners or, at least, recovering all or a significant proportion of their operating costs.

#### **STATE GOVERNMENT SECTOR**

This sector combines the operations of general government and public trading enterprises. It should be noted that when combining these two sectors most intra-sector transactions are eliminated or consolidated.

### **Outlays**

#### **GENERAL GOVERNMENT FINAL CONSUMPTION EXPENDITURE**

Represents the value of output produced by the general government sector, measured in terms of the cost of goods and services, less revenue from the sale of output.

#### **CURRENT TRANSFER PAYMENTS**

Represents current payments where there is no exchange of goods and services. This category includes interest payments, subsidies, personal benefit payments and grants.

#### **GROSS FIXED CAPITAL EXPENDITURE**

Represents net expenditure on durable goods intended to be employed in the production process for longer than one year. This item excludes expenditure on land and intangible assets (e.g. patents and copyrights) which is classified to Purchase of Land and Intangible Assets respectively.

## **SALES OF FIXED ASSETS AND PREVIOUSLY RENTED DWELLINGS**

Represents the proceeds from the sale of fixed assets and previously rented dwellings. This item does not include proceeds from the sale of land and intangible assets which is classified to Sale of Land and Intangible Assets.

## **INCREASE IN STOCKS**

Represents the net increase in stocks of materials, stores etc.

## **EXPENDITURE ON LAND AND INTANGIBLE ASSETS**

Represents purchases less sales of land and intangible assets such as patents and copyrights. It should be noted that the profit associated with land development which forms an integral part of the operations of an authority is classified as an offset to general government final consumption expenditure or as part of the net operating surplus of public trading enterprises.

## **PURCHASE OF LAND AND INTANGIBLE ASSETS**

Represents the purchase of vacant land, and land with improvements where the improvements can be identified separately or have no value to the purchaser (e.g. for road construction), and the outright purchase of intangible assets. The purchase of land and buildings as a package is normally classified as a purchase of fixed assets unless the land can be valued separately.

## **SALES OF LAND AND INTANGIBLE ASSETS**

Represents the proceeds from the sale of land and intangible assets (e.g. patents, copyrights etc). The land value of land and buildings sold is normally classified to Sales of Fixed Assets unless a separate value for the land component can be identified.

## **CAPITAL TRANSFER PAYMENTS**

Represents capital grants made by public authorities with the aim of meeting part of the cost of capital expenditure of the recipient and other transfers which are not solely associated with operations of a particular year.

## **ADVANCES**

Represents the net creation of financial assets (i.e. an increase in the indebtedness to government units) with the aim of furthering a policy objective. It is distinguished from investments which are motivated for reasons of liquidity management and the need to earn a return.

## **Revenue and Grants Received**

### **TAXES, FEES AND FINES**

Taxes represent compulsory levies imposed by government designed mainly to raise revenue. There is usually no clear and direct link between payment of taxes and the provision of goods and services.

Fees represent levies which are not designed primarily to raise general revenue and which are associated with the granting of a permit or privilege or regulation of activity.

Fines represent civil and criminal penalties imposed on law breakers, other than penalties imposed by taxing authorities which are classified as taxes.

### **NET OPERATING SURPLUS**

Represents the net operating surplus of public trading enterprises, being the excess of the value of output over costs incurred in producing that output. The costs incurred in producing output include depreciation charges but exclude interest, dividends, land rent, royalties and direct taxes.

### **PROPERTY INCOME AND OTHER NET REVENUE**

Represents public sector revenue other than operating surpluses of public trading enterprises and taxes, fees and fines.

### **GRANTS RECEIVED**

Represents current and capital grants received from other units in the non-financial public sector.

## **Financing Transactions**

### **NET ADVANCES RECEIVED**

Represents advances (net of repayments) received from other authorities of the non-financial public sector (see above for definition of Advances).

### **NET DOMESTIC AND OVERSEAS BORROWING**

Represents gross borrowing less the repayment of past borrowing. Gross borrowing is the creation of liabilities through the sale of bonds and bills in the capital markets or by raising loans through direct agreements with lenders. Gross borrowing excludes the receipt of advances from other government units which are classified to Net Advances Received.

## **INCREASE IN INVESTMENTS, CURRENCY AND DEPOSITS**

Investments represent the creation of financial assets (through lending money) for the purpose of earning a return and managing liquidity. They are distinct from advances which are motivated by specific policy objectives (see above for the definition of Advances).

Currency and deposits represents notes and coins on hand and funds held in the form of an account with financial institutions which is recoverable on demand or at relatively short notice.

## **INCREASE IN PROVISIONS**

Represents increased provisions for depreciation, employee entitlements, deferred maintenance and doubtful debts.

## **OTHER FINANCING TRANSACTIONS**

Represents the balance of financing transactions including movements in deposits received as well as debtors and creditors.

## **DEFICIT**

Represents the difference between cash outlays and cash revenue and grants received, and is the amount of public sector expenditure which is required to be financed. It is calculated as total financing transactions less increases in provisions.

## **NET FINANCING REQUIREMENT**

Represents the direct call of the state public sector on the saving of the economy and is calculated as total financing transactions less both net advances received, which form part of the financing requirement of another sector, and increases in provisions.

The operating Financing Requirement is defined as current outlays less both current revenue and increases in provisions. The capital Net Financing Requirement is defined as capital outlays less both Capital Revenue, Capital Grants Received and Net Advances Received.



## APPENDIX B - DETAILED GOVERNMENT FINANCE STATISTICS ESTIMATES FOR 1988-89 TO 1991-92.

**Table 1: General Government Sector - Outlays, Revenue and Financing Transactions**

ECONOMIC TYPE CLASSIFICATION	1988-89	1989-90	1990-91 prelim	1991-92 est
	\$ Mill	\$ Mill	\$ Mill	\$ Mill
Current Outlays	12,697	14,089	15,403	16,394
General government final consumption expenditure	9,044	9,979	11,040	11,709
Current transfer payments	3,653	4,111	4,363	4,685
Interest payments	1,283	1,925	1,809	1,925
- On Commonwealth advances	789	805	809	748
- Other	494	1,120	1,000	1,177
Subsidies paid to enterprises	1,303	983	1,042	1,111
- Subsidies paid to public trading enterprises	1,145	816	896	906
- Subsidies paid to other enterprises	158	167	146	205
Personal benefit payments	529	615	843	854
Current grants to local government	139	133	148	156
Other current transfer payments	399	454	522	639
Capital Outlays	1,452	2,628	2,152	695
Gross fixed capital expenditure	1,410	1,712	1,565	1,510
Expenditure on new and secondhand fixed assets	1,560	1,872	1,741	1,838
Sales of fixed assets and previously rented dwellings	151	160	175	328
Increase in stocks	30	32	26	16
Expenditure on land and intangible assets (net)	-244	62	147	62
Purchase of land and intangible assets	161	264	242	168
Sales of land and intangible assets	405	202	95	106
Capital transfer payments	302	651	795	903
Capital grants to local government	9	33	51	63
Capital grants to state public trading enterprises	281	615	731	828
Other capital grants and transfer payments	12	3	13	11
Advances paid (net)	-45	171	-381	-1,796
Advances to local government (net)	11	152	1	1
Advances to state public trading enterprises (net)	-14	-45	-454	-94
Other advances (net)	-42	65	72	-1,700

**Table 1: General Government Sector - Outlays, Revenue and Financing Transactions (Cont.)**

ECONOMIC TYPE CLASSIFICATION	1988-89	1989-90	1990-91 prelim	1991-92 est
	\$ Mill	\$ Mill	\$ Mill	\$ Mill
Revenue and Grants Received	14,743	15,887	16,480	17,618
Taxes, fees and fines	7,496	7,959	8,266	9,223
Property income and other revenue (net)	1,083	1,470	1,327	1,443
Income from public trading enterprises (net)	67	110	314	681
Income from public financial enterprises	167	148	110	91
Interest received	531	623	519	348
Other property income and other current revenue	303	432	347	308
Capital revenue	15	157	38	15
Grants received	6,165	6,458	6,888	6,952
Current grants received	5,349	5,489	5,716	5,963
- From Commonwealth	5,340	5,469	5,654	5,910
- Other	9	20	62	53
Capital grants received	816	969	1,172	990
- From Commonwealth	777	922	1,119	938
- Other	39	47	53	51
Financing Transactions	-594	831	1,075	-529
Net advances received	-53	-120	-401	-908
- From Commonwealth	-62	-125	-440	-908
- Other	10	4	-1	-
Net domestic and overseas borrowings	163	526	1,145	-188
Increases in investments, currency and deposits	774	-241	-189	-405
Increase in provisions	54	118	156	109
Other financing transactions (net)	11	11	4	48
Deficit (a)	-648	712	919	-637
Deficit after adjusting for special factors (b)	-450	712	919	1,113
Operating result	-1,269	-790	-23	-328
Capital result	819	1,502	942	1,441

For footnotes see Table 3.

**Table 2: Public Trading Enterprises Sector - Outlays, Revenue and Financing Transactions**

ECONOMIC TYPE CLASSIFICATION	1988-89	1989-90	1990-91 prelim	1991-92 est
	\$ Mill	\$ Mill	\$ Mill	\$ Mill
Current Outlays	1,937	1,627	1,814	2,128
Current transfer payments	1,937	1,627	1,814	2,128
Interest payments	1,785	1,386	1,327	1,241
Income transferred by public trading enterprises	67	110	314	681
Other current transfer payments	86	131	174	205
Capital Outlays	1,088	1,318	1,873	2,156
Gross fixed capital expenditure	1,389	1,232	1,749	2,173
Expenditure on new and secondhand fixed assets	1,644	1,762	1,974	2,390
Sales of fixed assets and previously rented dwellings	255	529	225	216
Increase in stocks	-18	58	-4	-3
Expenditure on land and intangible assets (net)	-324	-97	17	-65
Purchase of land and intangible assets	126	105	118	69
Sales of land and intangible assets	450	202	101	134
Capital transfer payments	41	43	79	51
Capital grants to local government	0	-	0	0
Other capital grants and transfer payments	41	43	79	51
Advances paid (net)	-	81	31	-
Advances to local government (net)	0	0	0	0
Other advances (net)	-	81	31	-

**Table 2: Public Trading Enterprises Sector - Outlays, Revenue and Financing Transactions (Cont.)**

ECONOMIC TYPE CLASSIFICATION	1988-89	1989-90	1990-91	1991-92
	\$ Mill	\$ Mill	prelim \$ Mill	est \$ Mill
Revenue and Grants Received	2,114	2,672	3,004	3,086
Net operating surplus of PTEs	1,462	1,626	1,853	1,955
Operating revenue	10,906	11,675	13,930	14,466
- Charges for goods and services	9,761	10,858	13,035	13,559
- Subsidies received	1,145	816	896	906
Operating expenditure	9,444	10,048	12,078	12,511
- Depreciation charges	929	1,040	1,235	1,379
- Other operating expenditure	8,515	9,009	10,843	11,132
Property income and other revenue (net)	368	428	421	302
Interest received	219	329	312	199
Other property income and other current revenue	15	10	4	2
Capital revenue	133	90	105	101
Grants received	283	617	731	828
Capital grants received	283	617	731	828
- From state general government sector	281	615	731	828
- Other	2	2	-	0
Financing Transactions	912	273	683	1,198
Net advances received	-14	-45	-454	-95
From state general government sector	-14	-45	-454	-94
Other	-	-	-	-
Net domestic and overseas borrowings	317	-889	-70	-122
Increases in investments, currency and deposits	483	216	-46	-73
Increase in provisions	1,241	1,214	1,106	1,358
Other financing transactions (net)	-148	209	54	-16
Deficit (a)	-329	-941	-423	-159
Deficit after adjusting for special factors (b)	-527	-461	-423	-159
Operating result	-1,000	-1,551	-1,460	-1,386
Capital result	474	1,091	1,037	1,226

For footnotes see Table 3.

**Table 3: Total State Sector - Outlays, Revenue and Financing Transactions**

ECONOMIC TYPE CLASSIFICATION	1988-89	1989-90	1990-91 prelim	1991-92 est
	\$ Mill	\$ Mill	\$ Mill	\$ Mill
<b>Current Outlays</b>	14,377	15,391	16,672	17,655
General government final consumption expenditure	9,044	9,979	11,040	11,709
Current transfer payments	5,332	5,412	5,632	5,947
Interest payments	2,885	3,113	2,943	3,028
- On Commonwealth advances	789	805	809	748
- Other	2,096	2,308	2,134	2,280
Subsidies paid to enterprises	1,303	983	1,042	1,111
Personal benefit payments	529	615	843	854
Current grants to local government	140	137	148	156
Other current transfer payments	475	564	656	798
<b>Capital Outlays</b>	2,235	3,334	3,671	2,066
Gross fixed capital expenditure	2,799	2,944	3,315	3,683
Expenditure on new and secondhand fixed assets	3,204	3,634	3,715	4,227
Sales of fixed assets and previously rented dwellings	405	689	400	544
Increase in stocks	12	90	22	12
Expenditure on land and intangible assets (net)	-568	-35	164	-3
Purchase of land and intangible assets	287	369	360	237
Sales of land and intangible assets	855	404	195	240
Capital transfer payments	23	37	66	75
Capital grants to local government	9	34	51	63
Capital grants to state public trading enterprises	0	0	0	0
Other capital grants and transfer payments	14	4	15	11
Advances paid (net)	-31	297	104	-1,701
Advances to local government (net)	11	152	1	-1
Advances to state public trading enterprises (net)	0	0	0	0
Other advances (net)	-42	145	104	-1,701

**Table 3: Total State Sector - Outlays, Revenue and Financing Transactions (Cont.)**

ECONOMIC TYPE CLASSIFICATION	1988-89	1989-90	1990-91	1991-92
	\$ Mill	\$ Mill	prelim \$ Mill	est \$ Mill
Revenue and Grants Received	16,280	17,576	18,131	18,957
Taxes, fees and fines	7,496	7,959	8,266	9,223
Net operating surplus	1,462	1,626	1,853	1,955
Property income and other revenue (net)	1,202	1,589	1,217	925
Income from public trading enterprises (net)	0	0	0	0
Income from public financial enterprises	167	148	110	91
Interest received	568	753	638	408
Other property income and other current revenue	318	441	350	310
Capital revenue	149	247	118	116
Grants received	6,120	6,401	6,796	6,854
Current grants received	5,340	5,471	5,677	5,916
- From Commonwealth	5,340	5,469	5,654	5,910
- Other	1	2	23	6
Capital grants received	780	930	1,119	939
- From Commonwealth	777	924	1,119	938
- Other	2	6	-	-
Financing Transactions	332	1,149	2,212	764
Net advances received	-53	-120	-400	-908
From Commonwealth	-63	-125	-400	-908
Other	10	4	-	-
Net domestic and overseas borrowings	481	-361	1,068	-311
Increases in investments, currency and deposits	1,224	-32	-187	-495
Increase in provisions	1,295	1,333	1,262	1,467
Other financing transactions (net)	-167	266	95	22
Deficit (a)	-963	-183	950	-702
Deficit after adjusting for special factors (b)	-963	297	950	1,048
Operating result	-2,270	-2,341	-1,484	-1,714
Capital result	1,307	2,638	2,434	2,761

(a) Financing Transactions minus Increase in Provisions.

(b) Takeover of Commonwealth debt, transfer of electricity substations to County Councils and the transfer of all borrowings by the State Rail Authority for non commercial services to the General Government sector and the sale of business assets.

... Nil or less than \$500,000.

## APPENDIX C - DETAILED ESTIMATES FOR 1990-91 AND 1991-92 - AUSTRALIAN BUREAU OF STATISTICS BASIS

The following adjustments are required to place estimates contained in this Budget Paper on a comparable basis with Australian Bureau of Statistics estimates.

	1988-89 \$m	1989-90 \$m	1990-91 \$m	1991-92 \$m
Adjustments required to the general government sector table.				
(i) Excluded Commonwealth Payments				
- Add to general government final consumption expenditure	690	786	852	964
- Add to other current transfer payments	375	402	428	451
- Add to current grants to local government	257	267	273	297
- Add to expenditure on new and secondhand fixed assets	52	59	73	94
- Add to other capital transfer payments	26	19	27	31
- Add to capital grants to local government	85	87	88	98
- Add to current grants received from Commonwealth	1,320	1,455	1,552	1,711
- Add to capital grants received from Commonwealth	163	165	190	222
(ii) Contribution to Higher Education				
- Add to taxes, fees and fines	82	158	210	210
- Add to general government final consumption expenditure	82	158	201	210

Adjustments required to public trading enterprises sector table.

Nil

	1988-89 \$m	1989-90 \$m	1990-91 \$m	1991-92 \$m
Adjustments Required to the State sector table.				
(i) Excluded Commonwealth Payments				
- Add to general government final consumption expenditure	690	786	852	964
- Add to other current transfer payments	375	402	428	451
- Add to current grants to local government	257	267	273	297
- Add to expenditure on new and secondhand fixed assets	52	59	73	94
- Add to other capital transfer payments	26	19	27	31
- Add to capital grants to local government	85	87	88	98
- Add to current grants received from Commonwealth	1,320	1,455	1,552	1,711
- Add to capital grants received from Commonwealth	163	165	190	222
(ii) Contribution to Higher Education				
- Add to taxes, fees and fines	82	158	210	210
- Add to general government final consumption expenditure	82	158	201	210



**Table 1: General Government Sector - Outlays, Revenue and Financing Transactions (ABS basis)**

40		
ECONOMIC TYPE CLASSIFICATION	1990-91 prelim. \$m	1991-92 est. \$m
Current Outlays	17,157	18,316
General government final consumption expenditure	12,093	12,883
Interest payments	1,809	1,925
Other current payments	3,256	3,508
Capital Outlays	2,341	918
Gross fixed capital expenditure	1,639	1,604
Capital grants	911	1,032
Advances	-381	-1,796
Other capital outlays	173	78
Revenue and Grants Received	18,424	19,762
Taxes, fees and fines	8,467	9,433
Property income and other revenue (net)	1,327	1,443
Grants received	8,630	8,886
Financing Transactions	1,075	-529
Net advances received	-401	-908
Net domestic and overseas borrowings	1,145	-188
Increase in provisions	156	109
Other financing transactions (net)	175	459
Deficit (a)	919	-637
Net Financing Requirement (b)	1,320	271
Net Financing Requirement after adjusting for special factors(c)	1,025	1,222

(a) Financing Transactions minus Increase in Provisions.

(b) Financing Transactions minus both Net Advances Received and Increase in Provisions.

(c) In 1990-91 and 1991-92 the NFR is adjusted for the state takeover of debt previously issued by the Commonwealth. Additionally, the 1991-92 figure is adjusted for the sale of business assets.

**Table 2: Public Trading Enterprises - Outlays, Revenue and Financing Transactions (ABS basis)**

ECONOMIC TYPE CLASSIFICATION	1990-91 prelim. \$m	1991-92 est. \$m
Current Outlays	1,814	2,128
Interest payments	1,327	1,241
Other current transfer payments	487	887
Capital Outlays	1,873	2,156
Gross fixed capital expenditure	1,749	2,173
Capital grants	79	51
Advances	31	-
Other capital outlays	13	-68
Revenue and Grants Received	3,004	3,086
Net operating surpluses of PTEs	1,853	1,955
Property income and other revenue (net)	421	302
Grants received	731	828
Financing Transactions	683	1,198
Net advances received	-454	-94
Net domestic and overseas borrowings	-70	-122
Increase in provisions	1,106	1,358
Other financing transactions (net)	101	57
Deficit (a)	-423	-159
Net Financing Requirement (b)	30	-65
Net Financing Requirement after adjusting for special factors	30	-65

(a) Financing Transactions minus Increase in Provisions.

(b) Financing Transactions minus both Net Advances Received and Increase in Provisions.

**Table 3: State Government Sector - Outlays, Revenue and Financing Transactions (ABS basis)**

ECONOMIC TYPE CLASSIFICATION	1990-91	1991-92
	prelim. \$m	est. \$m
Current Outlays	18,426	19,577
General government final consumption expenditure	12,093	12,883
Interest payments	2,943	3,028
Other current transfer payments	3,390	3,667
Capital Outlays	3,861	2,288
Gross fixed capital expenditure	3,388	3,777
Capital grants	182	203
Advances	104	-1,701
Other capital outlays	186	10
Revenue and Grants Received	20,075	21,101
Taxes, fees and fines	8,467	9,433
Net operating surpluses of PTEs	1,853	1,955
Property income and other revenue (net)	1,217	925
Grants received	8,538	8,788
Financing Transactions	2,212	764
Net advances received	-400	-908
Net domestic and overseas borrowings	1,068	-311
Increase in provisions	1,262	1,467
Other financing transactions (net)	282	517
Deficit (a)	950	-702
Net Financing Requirement (b)	1,350	206
Net Financing Requirement after adjusting for special factors(c)	1,055	1,157

(a) Financing Transactions minus Increase in Provisions.

(b) Financing Transactions minus both Net Advances Received and Increase in Provisions.

(c) In 1990-91 and 1991-92 the NFR is adjusted for the state takeover of debt previously issued by the Commonwealth. Additionally, the 1991-92 figure is adjusted for the sale of business assets.

## APPENDIX D: DETAILED COMPARISON OF ACTUAL AND ESTIMATED STATE PUBLIC SECTOR OUTLAYS, REVENUES AND FINANCINGS FOR 1990-91

**Table 1: Summary of Estimated and Actual Results for the General  
Government Sector In 1990-91 (1)**

	1990-91 est. \$m	1990-91 actual \$m	% change
Current Outlays	15,265	15,403	0.9
. Final Consumption Expenditure	10,846	11,040	1.8
. Current Transfer Payments	4,419	4,363	-1.3
Capital Outlays	2,112	2,152	1.9
. Gross Fixed Capital Expenditure	1,431	1,565	9.4
. Other Capital Outlays	681	586	-13.9
Total Outlays	17,377	17,555	1.0
Revenue and Grants Received	16,849	16,480	-2.2
. Taxes, Fees and Fines	8,625	8,266	-4.2
. Other Own Source Revenues	1,343	1,327	-1.2
. Grants Received	6,881	6,888	0.1
Financing Transactions (2)	528	1,075	103.7
. Less Increase In Provisions	16	156	874.4
Deficit (3)	512	919	79.5
. Deficit after adjusting for special factors(3)	512	919	79.5
- Operating Result	-478	-23	-95.1
- Capital Result	990	942	-4.8

For footnotes see Table 3

**Table 2: Summary of Estimated and Actual Results for the Public Trading Enterprise Sector In 1990-91 (1)**

	1990-91 est. \$m	1990-91 actual \$m	% change
Current Outlays	1,677	1,814	8.2
. Final Consumption Expenditure	-	-	n.a.
. Current Transfer Payments	1,677	1,814	8.2
Capital Outlays	1,868	1,873	0.3
. Gross Fixed Capital Expenditure	1,908	1,749	-8.3
. Other Capital Outlays	- 40	124	n.a.
Total Outlays	3,545	3,687	4.0
Revenue and Grants Received	2,750	3,004	9.2
. Taxes, Fees and Fines	-	-	n.a.
. Other Own Source Revenues	1,985	2,273	14.5
. Grants Received	765	731	-4.5
Financing Transactions(2)	795	683	-14.1
. Less Increase In Provisions	1,206	1,106	-8.3
Deficit (3)	-411	-423	3.0
. Deficit after adjusting for special factors(3)	-411	-423	3.0
- Operating Result	-1,328	-1,460	10.0
- Capital Result	917	1,037	13.1

For footnotes see Table 3

**Table 3: Summary of Estimated and Actual Results for the Total State Sector In 1990-91 (1)**

	1990-91 est. \$m	1990-91 actual \$m	% change
Current Outlays	16,436	16,672	1.4
. Final Consumption Expenditure	10,846	11,040	1.8
. Current Transfer Payments	5,590	5,632	0.8
Capital Outlays	3,265	3,671	12.4
. Gross Fixed Capital Expenditure	3,339	3,315	-0.7
. Other Capital Outlays	-74	357	n.a.
Total Outlays	19,701	20,343	3.3
Revenue and Grants Received	18,308	18,131	-1.0
. Taxes, Fees and Fines	8,625	8,266	-4.2
. Other Own Source Revenues	2,874	3,069	-6.8
. Grants Received	6,809	6,796	-0.2
Financing Transactions (2)	1,394	2,212	58.7
. Less Increase in Provisions	1,222	1,262	3.3
Deficit (3)	172	950	452.4
. Deficit after adjusting for special factors(3)	172	950	452.4
- Operating Result	-1,806	-1,484	-17.8
- Capital Result	1,978	2,434	23.0

(1) Items may not add to totals due to rounding.

(2) Total outlays less revenue and grants received.

(3) Financing Transactions less increases in provisions. A positive number represents a deficit, while a negative number represents a surplus.

## **APPENDIX E - PUBLIC SECTOR ENTITIES INCLUDED WITHIN THE GENERAL GOVERNMENT AND PUBLIC TRADING ENTERPRISES SECTORS FOR 1990-91 AND 1991-92**

### **General Government**

#### **Budget Sector**

Archives Authority of New South Wales  
 Art Gallery of New South Wales  
 Attorney-General's Department  
 Australian Museum  
 Bicentennial Park Trust  
 Cabinet Office  
 Centennial Park Trust  
 Chief Secretary's Department  
 Coal Compensation Board  
 Crown Transactions  
 Department of Agriculture  
 Department of Bushfire Services  
 Department of Consumer Affairs  
 Department of Community Services  
 Department of Conservation and Land Management  
 Department of Corrective Services  
 Department of Courts Administration  
 Department of Health  
 Department of Industrial Relations, Employment, Training and Further Education  
 Department of Local Government and Co-operatives  
 Department of Mineral Resources  
 Department of Planning  
 Department of School Education  
 Department of Sport, Recreation and Racing  
 Department of State Development  
 Department of Transport  
 Department of Water Resources  
 Ethnic Affairs Commission  
 Historic Houses Trust  
 Independent Commission Against Corruption  
 Judicial Commission of New South Wales  
 Legal Aid Commission of New South Wales  
 Ministry for the Arts  
 Ministry for the Environment  
 Museum of Applied Arts and Sciences  
 National Parks and Wildlife Service  
 New South Wales Fire Brigades  
 New South Wales Crime Commission  
 New South Wales Film and Television Office  
 New South Wales Technical and Further Education Commission  
 Office of the Director of Public Prosecutions  
 Office of Education and Youth Affairs  
 Office of Energy  
 Office of Fisheries

**Budget Sector - (cont'd)**

Ombudsman's Office  
 Parliamentary Counsel's Office  
 Police Service of New South Wales  
 Premier's Department  
 Public Works Department  
 Roads and Traffic Authority  
 Royal Botanic Gardens and Domain Trust  
 Rural Assistance Authority  
 State Electoral Office  
 State Emergency Service  
 State Library  
 State Pollution Control Commission  
 The Legislature  
 Tourism Commission  
 Treasury

**Non Budget Sector**

Albury-Wodonga (NSW) Corporation  
 Auditor General's Office  
 Bathurst-Orange Development Corporation  
 Building Services Corporation  
 Capital Works Financing Corporation  
 Chipping Norton Lake Authority  
 Commercial Services Group  
 Compensation Court  
 Darling Harbour Authority  
 Elmec Services  
 First State Computing  
 Forestry Commission  
 Geological and Mining Museum Trust  
 Government Cleaning Service  
 Government Information and Advertising  
 Government Motor Services  
 Government Printing Service  
 Grain Handling Ministerial Corporation  
 Greyhound Racing Control Board  
 Harness Racing Authority  
 Health Professional Registration Boards  
 Heritage Conservation Fund  
 Home Purchase Assistance Fund  
 Insurers Contribution Fund  
 Insurers Guarantee Fund  
 Lake Illawarra Authority  
 Land Titles Office  
 Macarthur Development Corporation  
 Materials Testing and Chemical Services Laboratory  
 Mine Subsidence Board  
 Mines Rescue Board  
 Motor Accidents Authority  
 Motor Vehicle Repair Industry Council  
 NSW Education and Training Foundation  
 NSW Meat Industry Authority  
 NSW Superannuation Office  
 Office of Aboriginal Affairs  
 Premiums Adjustment Fund



## Non Budget Sector - (cont'd)

Property Services Group  
 Public Trustee  
 Regional Operations: Maintenance and Construction Section  
 School Furniture Complex  
 State Fleet Services  
 State Mail  
 Suitors Fund  
 Sydney Cove Redevelopment Authority  
 Technical Repair Service  
 Tow Truck Industry Council of New South Wales  
 Upper Parramatta River Catchment Trust  
 Valuer-General's Department  
 Wild Dog Destruction Board  
 WorkCover Authority

## Public Trading Enterprises

Broken Hill Water Board  
 Cobar Water Board  
 Department of Housing  
 Elcom Collieries  
 Electricity Commission of NSW  
 Fish River Water Supply Authority  
 Grain Corporation of NSW  
 Homebush Abattoir Corporation  
 Hunter District Water Board  
 Huntley Collieries  
 Lachlan Region Irrigation District  
 Lower Murray/Darling Region Irrigation Areas  
 Maritime Services Board  
 Murray Region Irrigation Area and Districts  
 Murrumbidgee Region Irrigation Areas and Districts  
 Newcom Collieries  
 NSW Dairy Corporation  
 NSW Fish Marketing Authority  
 NSW State Lotteries  
 Parramatta Stadium Trust  
 Public Servant Housing Authority of NSW  
 River Operations  
 South-West Tablelands Water Supply Authority  
 State Lotteries Office  
 State Rail Authority  
 State Transit Authority  
 Sydney Cricket and Sports Ground Trust  
 Sydney Electricity  
 Sydney Market Authority  
 Sydney Opera House Trust  
 Teacher Housing Authority  
 Totalisator Agency Board of NSW  
 Waste Management Authority  
 Water Board  
 Zoological Parks Board